

CONFIDENTIALSTATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)**APPLICATION FOR PERMIT TO DRILL**

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: ML-48351	6. SURFACE: State
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
2. NAME OF OPERATOR: Cabot Oil and Gas Corporation		8. UNIT or CA AGREEMENT NAME:	
3. ADDRESS OF OPERATOR: 600 17th st. Suite 900N CITY Denver STATE CO ZIP 80202		9. WELL NAME and NUMBER: McKenna 14-32	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 220' FNL & 305' FEL AT PROPOSED PRODUCING ZONE: 700' FNL & 785' FEL		10. FIELD AND POOL, OR WILDCAT: Wildcat	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 9.1 miles southeast from La Sal.		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 32 29S 25E	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 220'		12. COUNTY: San Juan	13. STATE: UTAH
16. NUMBER OF ACRES IN LEASE: 1,280		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 Acres	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) NA		20. BOND DESCRIPTION: 5809579	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 6,415 GR		22. APPROXIMATE DATE WORK WILL START: 6/30/2007	
23. ESTIMATED DURATION: 30 Days			

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4	9 5/8 J-55 36#	2,100	Premium Lite Plus 282 sks 2.45cf 12.0 ppg
12 1/4	9 5/8 J-55 36#	2,100	Type III 460 sks 1.40cf 14.5ppg
8 3/4	5 1/2 P110 17#	8,100	Premium Lite HS 1,326 sks 1.76cf 13.5 ppg

ATTACHMENTS

25. VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☒ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☒ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- ☒ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Ginger StringhamTITLE Agent

SIGNATURE

DATE 5/16/2007

(This space for State use only)

API NUMBER ASSIGNED:

43-037-34863

APPROVAL:

RECEIVED
MAY 18 2007

DIV. OF OIL, GAS & MINING

T29S, R25E, S.L.B.&M.

EAST - 80.07 (G.L.O.)

2648.02' (Measured)

S88°52'56"E (Basis of Bearings)

S89°48'27"E - 2651.67' (Meas.)

Found Set
Marked Stone,
Reconstructed
Pile of stones.

CABOT OIL AND GAS

WELL LOCATION, MCKENNA 14-32,
LOCATED AS SHOWN IN THE NE 1/4
NE 1/4 OF SECTION 32, T29S, R25E,
S.L.B.&M. SAN JUAN COUNTY, UTAH.



SCALE



NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. The Bottom of hole bears S45°26'42"W 671.39' from the Surface Position.
3. Bearings are based on Global Positioning Satellite observations.
4. BASIS OF ELEVATION IS BENCH MARK G127 1934 LOCATED IN THE WEST 1/2 OF SECTION 3, T29S, R24E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE LA SAL WEST, UTAH 7.5 MIN. QUADRANGLE AS BEING 6844'.

▲ = SECTION CORNERS LOCATED

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES AND SURVEY DATA
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION No. 362251
STATE OF UTAH
KOLBY R. KAY

TIMBERLINE

(435) 789-1365

ENGINEERING & LAND SURVEYING, INC.

38 WEST 100 NORTH - VERNAL, UTAH 84078

DATE SURVEYED: 04-24-07	SURVEYED BY: B.J.S.	SHEET 2 OF 11
DATE DRAWN: 04-26-07	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	

**WELL LOCATION:
MCKENNA 14-32**

ELEV. UNGRADED GROUND = 6416.2'

32

1/4 Corner
searched for not
found

Found 1918
Brass Cap

Found 1918 Brass
Cap, pile of stones
around cap

N89°58'18"E - 2667.25' (Meas.)
EAST (G.L.O.)

**MCKENNA 14-32
(Bottom Hole) NAD 83**

LATITUDE = 38° 14' 35.05"N, 38.243068°N
LONGITUDE = 109° 11' 01.50"W, 109.183749°W

NAD 27

LATITUDE = 38° 14' 35.09"N, 38.243079°N
LONGITUDE = 109° 10' 59.10"W, 109.183084°W

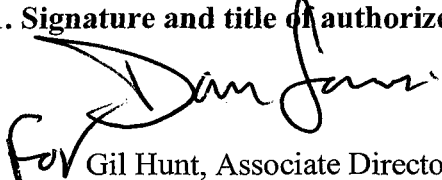
**MCKENNA 14-32
(Surface Position) NAD 83**

LATITUDE = 38° 14' 39.70"N, 38.244360°N
LONGITUDE = 109° 10' 55.50"W, 109.182082°W

NAD 27

LATITUDE = 38° 14' 39.74"N, 38.244371°N
LONGITUDE = 109° 10' 53.10"W, 109.181418°W

STATE ACTIONS
Resource Development Coordinating Committee
Public Lands Policy Coordination Office
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or June 1, 2007
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: Cabot Oil and Gas Corporation proposes to drill the McKenna 14-32 well (wildcat) on State lease ML-48351, San Juan County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) 220' FNL 305' FEL, NE/4 NE/4, Section 32, Township 29 South, Range 25 East, San Juan County, Utah	
6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Southeastern Utah Association of Governments	
10. For further information, contact: Diana Mason Phone: (801) 538-5312	11. Signature and title of authorized officer  Gil Hunt, Associate Director Date: May 18, 2007

CONFIDENTIAL**STATE OF UTAH**
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

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25

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
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NAME (PLEASE PRINT) Ginger StringhamTITLE Agent

SIGNATURE

DATE 5/16/2007

(This space for State use only)

API NUMBER ASSIGNED:

43-037-31863

APPROVAL:

RECEIVED**MAY 18 2007****DIV. OF OIL, GAS & MINING**

T29S, R25E, S.L.B.&M.

EAST - 80.07 (G.L.O.)

2648.02' (Measured)

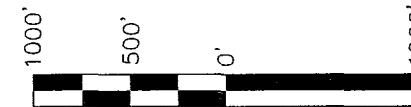
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Found Set
Marked Stone,
Reconstructed
Pile of stones.

CABOT OIL AND GAS

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LOCATED AS SHOWN IN THE NE 1/4
NE 1/4 OF SECTION 32, T29S, R25E,
S.L.B.&M. SAN JUAN COUNTY, UTAH.



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NOTES:

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REGISTERED LAND SURVEYOR
REGISTRATION No. 362251
STATE OF UTAH
KAY R. KAY

TIMBERLINE

ENGINEERING & LAND SURVEYING, INC.

38 WEST 100 NORTH - VERNAL, UTAH 84078

(435) 789-1365

DATE SURVEYED:
04-24-07

SURVEYED BY: B.J.S.

DATE DRAWN:
04-26-07

DRAWN BY: M.W.W.

SCALE: 1" = 1000'

Date Last Revised:

SHEET

2

OF 11

**WELL LOCATION:
MCKENNA 14-32**

ELEV. UNGRADED GROUND = 6416.2'

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1/4 Corner
searched for not
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Found 1918
Brass Cap

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Cap, pile of stones
around cap

N89°58'18"E - 2667.25' (Meas.)
EAST (G.L.O.)

N00°08'33"W - 5342.50' (Meas.)
NORTH (G.L.O.)

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NAD 27

LATITUDE = 38° 14' 39.74"N, 38.244371°N
LONGITUDE = 109° 10' 53.10"W, 109.181418°W

Found Rebar in
pile of stones,
cedar post

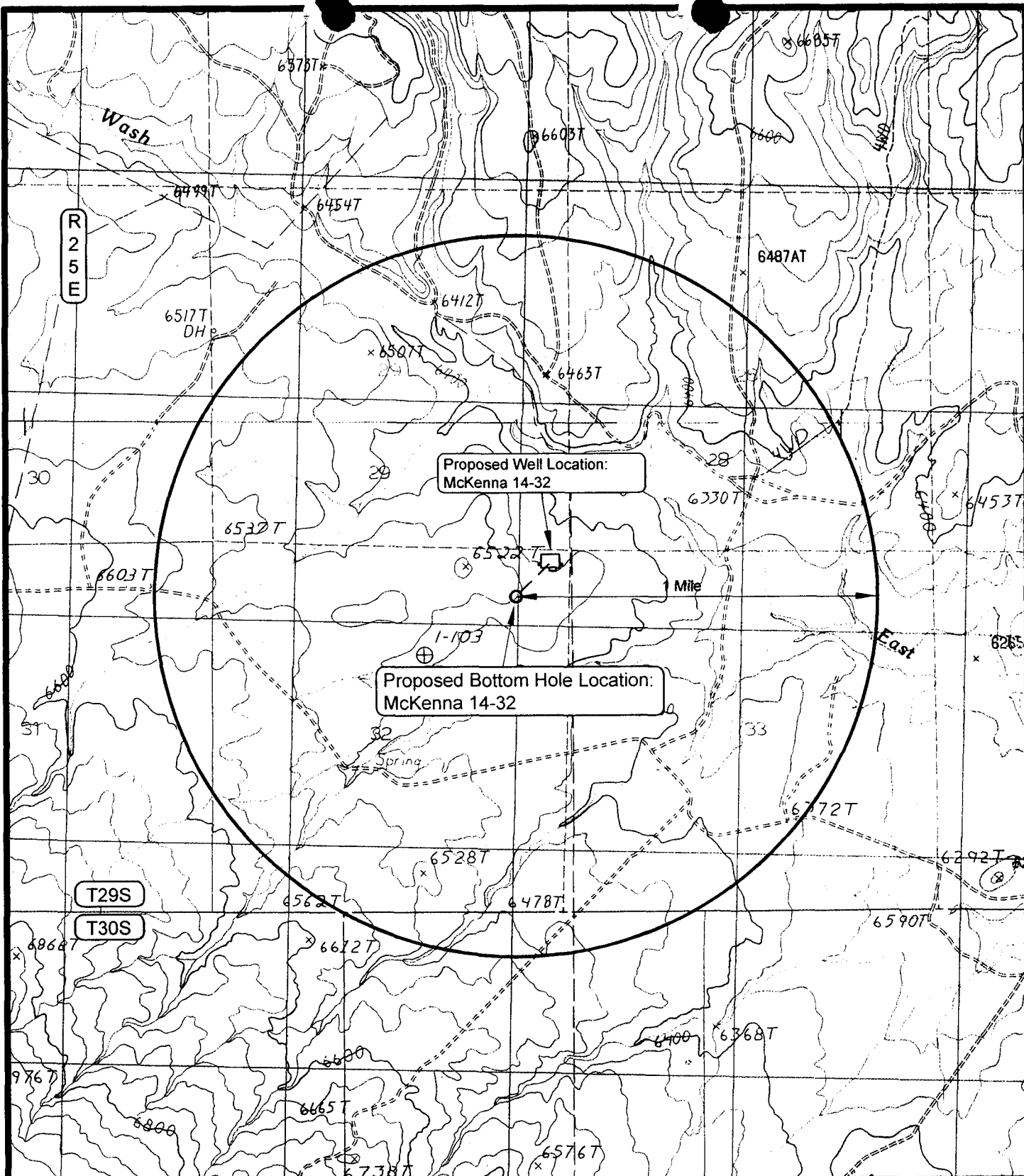
Found Rebar in
pile of stones.

Bottom
of Hole

Well
Surface
Position
785'

220'
305'

NORTH (G.L.O.)



LEGEND

- | | |
|--------------------|--------------------------------|
| ○ = DISPOSAL WELL | ○ = WATER WELL |
| ● = PRODUCING WELL | ● = ABANDONED WELL |
| ● = SHUT IN WELL | ● = TEMPORARILY ABANDONED WELL |
| ○ = PROPOSED WELL | ⊕ = ABANDONED LOCATION |

TOPOGRAPHIC MAP "C"

DATE SURVEYED: 04-24-07

DATE DRAWN: 04-30-07

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

REVISED:

CABOT OIL AND GAS

McKenna 14-32
SECTION 32, T29S, R25E, S.L.B.&M.
Bottom Hole: 700' FNL & 785' FEL

Timberline

(435) 789-1365

Engineering & Land Surveying, Inc.

38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET
 10
 OF 11

From: Brad Hill
To: Mason, Diana
Date: 6/4/2007 3:47 PM
Subject: Fwd: UGS comments on RDCC STA items 7992, 7793

>>> Gil Hunt 6/4/2007 3:36 PM >>>

>>> Kimm Harty 6/4/2007 3:36 PM >>>

Gil and Pam,

Below are UGS comments on RDCC Short-Turn-Around items 7923 and 7993. Please contact us if you have any questions or need clarification on the comments. Kimm

7992. Division of Oil, Gas and Mining
Short Turn Around Drilling Permit
Sec. 17, T5S, R6W, Duchesne County
Application for Permit to Drill - Berry Petroleum Company proposal to drill a wildcat well he LC Tribal 11-17-56 on Indian lease 14-20-H62-5500 (EDA)

Although there are no paleontological localities recorded in our files for this project area, the Eocene Uinta Formation that is exposed here has the potential for yielding significant vertebrate fossil localities. The office of the State Paleontologist therefore recommends that a paleontological evaluation be conducted for this project and its easements by a paleontologist with a valid permit.

7993. Division of Oil, Gas and Mining
Short Turn Around Drilling Permit
Sec. 32, T29S, R25E, San Juan County
Application for Permit to Drill - Cabot Oil and Gas Corporation proposal to drill a wildcat well the McKenna 14-32 on State lease ML-48351

Although there are no paleontological localities recorded in our files for this project area, the Jurassic Morrison Formation and Cretaceous Burro Canyon and Dakota Formations that are exposed here have the potential for yielding significant vertebrate fossil localities. The office of the State Paleontologist therefore recommends that a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit.

From: Robert Clark
To: Mason, Diana
Date: 6/4/2007 4:31 PM
Subject: RDCC short turn-around comments

CC: Anderson, Tad; McNeill, Dave; Wright, Carolyn
The following comments are in response to short turn-around items **RDCC #7992 and RDCC #7993.**

RDCC #7992, Comments begin: The Berry Petroleum Company proposal to drill the LC Tribal 11-17-56 wildcat well on Indian lease 14-20-H62-5500 (EDA), in Duchesne County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board. If any compressor or pump stations are constructed at the site, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. A copy of the rules is found at www.rules.utah.gov/publicat/code/r307/r307.htm .

The proposed project is also subject to Utah Air Quality Rule R307-205-5, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Executive Secretary of the Air Quality Board, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover or windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm . **Comments end.**

RDCC#7993, Comments begin: The Cabot Oil and Gas Corporation proposal to drill the McKenna 14-32 wildcat well, in San Juan County, may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board. If any compressor or pump stations are constructed at the site, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. A copy of the rules is found at www.rules.utah.gov/publicat/code/r307/r307.htm .

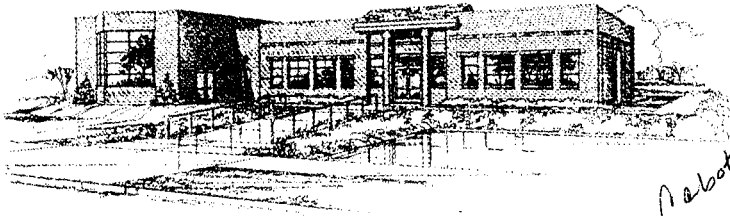
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Robert Clark
Division of Air Quality
801-536-4435

SOUTHEASTERN UTAH ASSOCIATION OF LOCAL GOVERNMENTS

Doug Allen
CHAIRMAN

William D. Howell
EXECUTIVE DIRECTOR



375 SOUTH CARBON AVE.
P.O. DRAWER 1106
PRICE, UTAH 84501
(435) 637-5444
FAX (435) 637-5448

Calbot
43-037-31863

AREA WIDE CLEARINGHOUSE REVIEW

Federal Action _____ State Action _____ Approved (x) Yes () No
Other (indicate) _____

Applicant Address:

Oil, Gas and Mining

1594 West North Temple #1210

SLC, UT 84114-5801

Name Diana Mason

Phone 801-538-5312

Title/Project Description: Application for Permit to Drill McKenna 14-32 well ML-48351
Wildcat well on SITLA lease in San Juan County. Location is SE of the town of LaSal
and near East Coyote Wash.

0

- [] No Comment
[] See comment below

Comments: Favorable comment recommended.

RECEIVED

JUN 26 2007

Lorraine Bengtson
SEUALG

June 14, 2007
DATE

DIV. OF OIL, GAS & MINING



Cabot Oil & Gas Corporation

August 14, 2007

State of Utah
Division of Oil, Gas and Mining
1594 West North Temple
Suite 1210
Salt Lake City, Utah 84114-5801
Attn: Brad Hill

via Federal Express

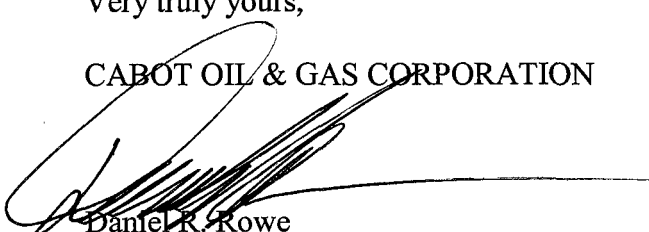
Re: McKenna #21-32
Township 29 South, Range 25 East
Section 32: NE/4NW/4
San Juan County, Utah
ML-48351

Dear Mr. Hill:

Enclosed please find three (3) full copies of the Application for Permit to Drill for the McKenna #21-32 Well. Cabot Oil & Gas Corporation requests that this well be confidential and all well information/data be held confidential. Please do not hesitate to call me with any questions or comments, or if you need additional information.

Very truly yours,

CABOT OIL & GAS CORPORATION



Daniel R. Rowe
Landman

DRR/kbf

enclosures

RECEIVED
AUG 15 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

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(highlight changes)

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2. NAME OF OPERATOR: Cabot Oil & Gas Corporation		8. UNIT or CA AGREEMENT NAME: _____ <i>N Fiddle Mesa</i>	
3. ADDRESS OF OPERATOR: 600 17th St., Ste. 900N CITY Denver STATE CO ZIP 80202		PHONE NUMBER: (303) 226-9400	9. WELL NAME and NUMBER: McKenna #21-32
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 456' FNL & 1686' FWL AT PROPOSED PRODUCING ZONE: 936' FNL & 1206' FWL		10. FIELD AND POOL, OR WILDCAT: Wildcat	
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25.

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NAME (PLEASE PRINT) Daniel R. Rowe TITLE Landman
SIGNATURE [Signature] DATE 8/14/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-037-31863

Approved by the
Utah Division of
Oil, Gas and Mining
APPROVAL:
Date 08-21-07
By: [Signature]
(See Instructions on Reverse Side)

RECEIVED
AUG 15 2007
DIV. OF OIL, GAS & MINING

T29S, R25E, S.L.B.&M.

EAST - 80.07 (G.L.O.)

2648.02' (Measured)

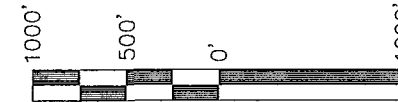
S88°52'56"E (Basis of Bearings)

Found Rebar in
pile of stones,
cedar post

Found Set
Marked Stone,
Reconstructed
Pile of stones.

CABOT OIL AND GAS

WELL LOCATION, MCKENNA 21-32,
LOCATED AS SHOWN IN THE NW 1/4
NW 1/4 OF SECTION 32, T29S, R25E,
S.L.B.&M. SAN JUAN COUNTY, UTAH.



SCALE

NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
3. The Bottom of hole bears S45°05'17"W - 677.97' from the Surface Position.
4. Bearings are based on Global Positioning Satellite observations.
5. BASIS OF ELEVATION IS BENCH MARK G127 1934 LOCATED IN THE WEST 1/2 OF SECTION 3, T29S, R24E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE LA SAL WEST, UTAH 7.5 MIN. QUADRANGLE AS BEING 6844'.

▲ = SECTION CORNERS LOCATED

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES AND SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.

No. 362251

KOLBY R. KAY

REGISTERED LAND SURVEYOR
REGISTRATION No. 362251
STATE OF UTAH

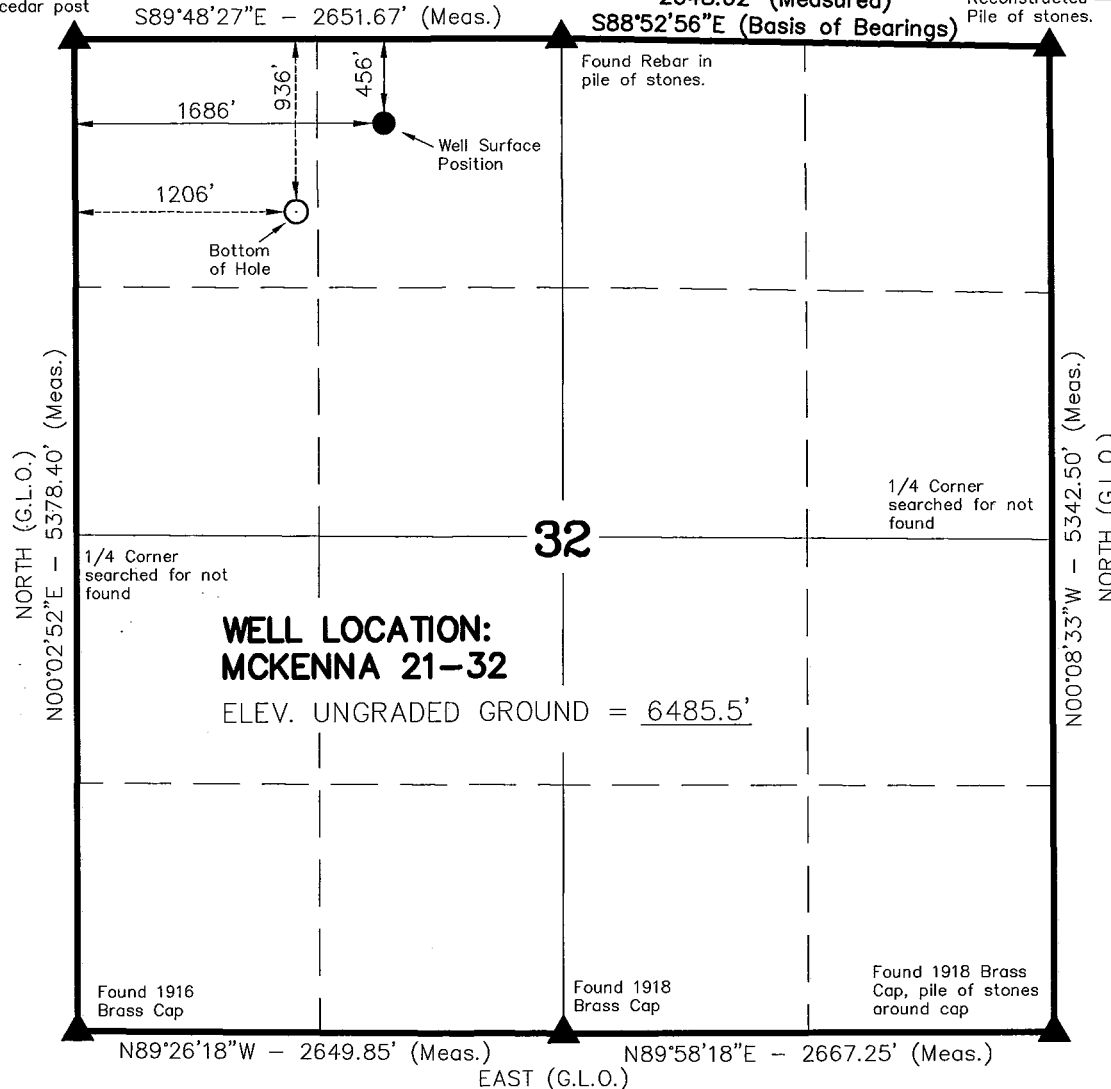
TIMBERLINE

ENGINEERING & LAND SURVEYING, INC.

38 WEST 100 NORTH - VERNAL, UTAH 84078

(435) 789-1365

DATE SURVEYED: 08-11-07	SURVEYED BY: B.J.S.	SHEET 2 OF 11
DATE DRAWN: 08-13-07	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	



MCKENNA 21-32
(Bottom Hole) NAD 83
LATITUDE = 38° 14' 33.15"N, 38.242542°N
LONGITUDE = 109° 11' 42.98"W, 109.195273°W

NAD 27
LATITUDE = 38° 14' 33.19"N, 38.242553°N
LONGITUDE = 109° 11' 40.59"W, 109.194608°W

MCKENNA 21-32
(Surface Position) NAD 83
LATITUDE = 38° 14' 37.88"N, 38.243855°N
LONGITUDE = 109° 11' 36.96"W, 109.193600°W

NAD 27
LATITUDE = 38° 14' 37.92"N, 38.243866°N
LONGITUDE = 109° 11' 34.57"W, 109.192935°W

Ten Point Plan

Cabot Oil & Gas Corporation

McKenna 21-32

Surface Location: NE/4 NW/4

Section 32, T29S, R25E

1. Surface Formation
Alluvium
2. Estimated Formation Tops and Datum:

Depth	Sub Sea	Formation
6505 Est.		Surface
2089	4416	Wingate (Greenberg)
2312	4193	Chinle (Greenberg)
2716	3789	Moenkopi
2804	3701	Cutler
		Lower Cutler Unconformity
4240	2265	(Greenberg)
5457	1048	Honaker Trail
6629	-124	La Sal LIME (Greenberg)
6967	-462	FF#5 8884 Sand (Greenberg)
7133	-628	FF #1-19 9065 Sand (Greenberg)
7327	-822	Ismay
7461	-956	Hovenweep
7523	-1018	Ismay Lower
7588	-1083	Gothic Sh
7680'	-1175	TD

A 12-1/4" hole will be drilled to 2,400' +/- . The surface casing depth will depend on the depth that the CHINLE formation is encountered. Surface casing will be set at least 50' below top of Chinle. All fresh water and oil and gas bearing zones shall be protected by casing and cement program.

3. **Producing Formation Depth:**
Formation objective includes the Honaker Trail, Ismay & Hovenweep.

4. **Proposed Casing:**

Hole Size	Casing Size	Weight/Ft	Grade	Coupling & Tread	Casing Depth	New/ Used
12-1/4	9-5/8	36#	J-55	ST&C	2,400'	NEW
8-3/4	5-1/2	17#	HCP-110	LT&C	7,680'	NEW

Cement Program:**The Surface Casing will be cemented as follows from 0'-2400'.****Cement volume = Gauge hole + 100%.**

Casing Size	Cement Type	Cement Amount	Cement Yield	Cement Weight	Water Mix
-------------	-------------	---------------	--------------	---------------	-----------

Lead:

9-5/8"	Premium Lite Plus 307 sks +/- 2% bwoc Calcium Chloride 0.25 lbs/sx CelloFlake 6% bwoc Bentonite 1% bwoc Sodium Metasilicate	2.45ft ³ /sk	12.0 ppg	13.93 gal/sx	
--------	---	-------------------------	----------	--------------	--

Tail:

9-5/8"	Type III Cement 549 sks +/- 0.25 lbs/sx CelloFlake 1% bwoc Sodium Metasilicate	1.40ft ³ /sk	14.5 ppg	6.82 gal/sx	
--------	--	-------------------------	----------	-------------	--

100 sks of Type III neat cement with 2% Calcium Chloride will be available for top out of needed.

Production casing will be cemented as follows from 2,200' – 7,680':**Cement volume – Gauge hole + 50%.**

Casing Size	Cement Type	Cement Amount	Cement Yield	Cement Weight	Water Mix
-------------	-------------	---------------	--------------	---------------	-----------

Lead:

5-1/2"	Premium Lite HS 1170 sks +/- 0.5% bwoc Static Free 0.5% bwoc R-3 3% bwoc Potassium Chloride 0.25 lbs/sk Cello Flake 2 lbs/ sk FKol Seal 0.4% bwoc FI-52 0.002 gps FP-6L 0.2% bwoc BA-59	1.76t ³ /sk	13.50 ppg	8.40 gal/sx	
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5. BOP and Pressure Containment Data:

A 5000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9-5/8" surface casing. An upper kelly cock to the required pressure rating with a handle available shall be employed.

The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

Interval	Mud Weight lbs./gal	Viscosity Sec./QT.	Fluid Loss MI/30 Mins.	Mud Type
0-2,400'	8.4-8.8	40-50	No Control	Water / Gel
2,400'-5,000'	8.8-9.2	34-36	15-18	LSND/KCL
5,000'-7,680'	9.2-9.5	36-40	6-8	LSND/KCL

NOTE: Mud weights may exceed 10.0 due to solids increasing at or near T.D. Increased weights are not required to control formation pressure. Operator will have on location sufficient mud and weight material to increase mud weight to 10.0 at any time while drilling the subject well. Visual mud monitoring incorporating pit level indicators shall be used.

7. Testing, Coring, Sampling and Logging:

a) DST:	None anticipated	
b) Coring:	Sidewalls in HT #2 after T.D.	
c) Mud Sampling:	Every 10' from 1,000' to T.D.	
d) Logging:	Type	Interval
	Gamma Ray	2400'-Surface
	BHC sonic	2400'-TD
	FDC-CNL & DLL	

8. Abnormalities (including sour gas):

Anticipated bottom hole pressure less than 4000 psi. No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H₂S.

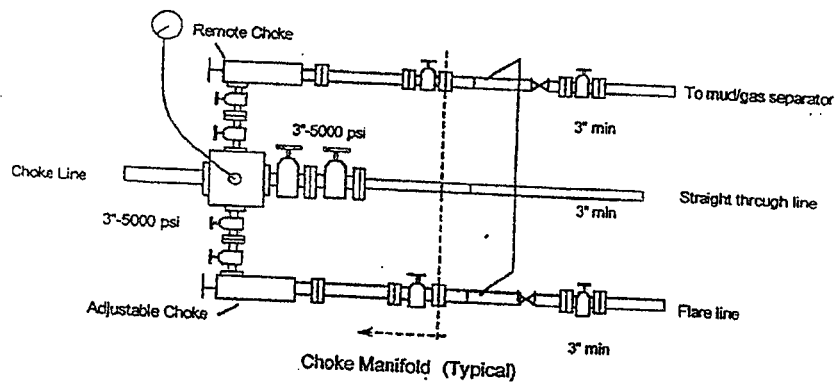
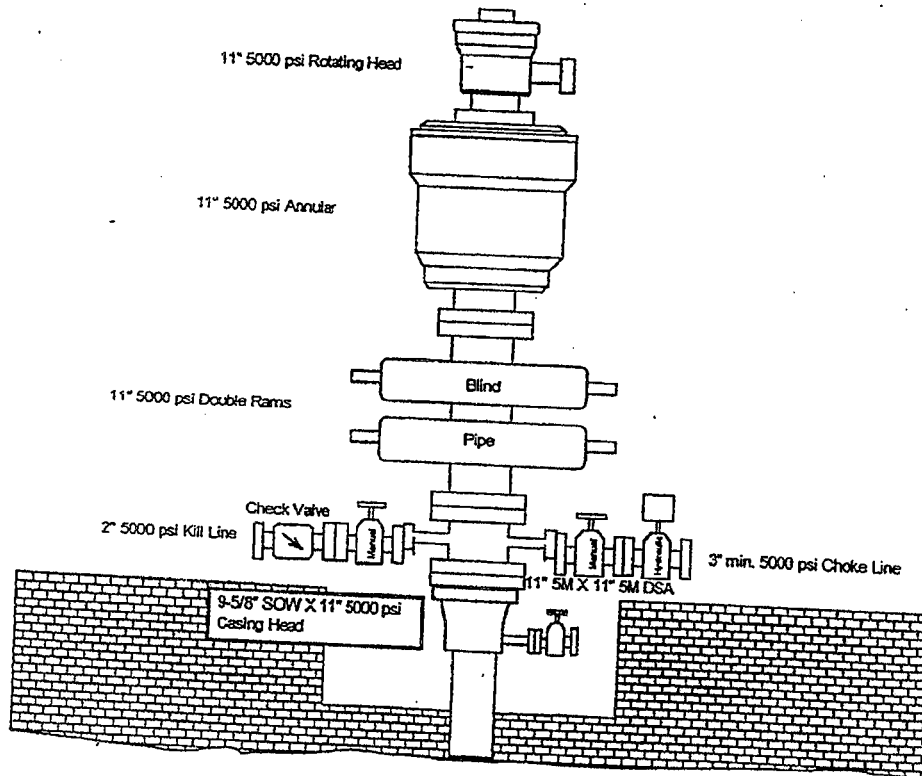
9. Other facets of the proposed operation:

Operator anticipates the subject well will naturally drift south and west. The operator will not attempt to control the natural drift, the proposed surface location is 456' FNL & 1686' FWL, the proposed bottom hole location is 936' FNL & 1206' FWL. The estimated drift is based on previous drilling in the area and detailed geologic information.

10. Drilling Schedule:

The anticipated starting date is 8/22/07. Duration of operations is expected to be 30 days.

BOPE Diagram
5000 psi WP



Cabot Oil & Gas Corporation

13 Point Surface Use Plan

For Well

McKenna 21-32

Located in NE 1/4 NW 1/4

Section 32, T29S, R25E, S.L.B. & M.

San Juan County, Utah

Lease Number: ML-48351

Surface Ownership: STATE

CABOT OIL AND GAS
MCKENNA 21-32
Section 32, T29S, R25E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM LA SAL UTAH ALONG STATE HIGHWAY 46 APPROXIMATELY 0.9 MILES TO THE INTERSECTION OF COUNTY ROAD B-115. EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG COUNTY ROAD B-115 APPROXIMATELY 3.1 MILES TO THE INTERSECTION OF COUNTY ROAD B-191. EXIT LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG COUNTY ROAD B-191 APPROXIMATELY 4.1 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1,775 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM LA SAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 8.4 MILES IN A SOUTHEASTERLY DIRECTION.

1. Existing Roads:

**Cabot Oil & Gas Corp.
McKenna 21-32
Section 32, T29S, R25E., S.L.B. & M.**

PROCEED IN A WESTERLY DIRECTION FROM LA SAL UTAH ALONG STATE HIGHWAY 46 APPROXIMATELY 0.9 MILES TO THE INTERSECTION OF COUNTY ROAD B-115. EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG COUNTY ROAD B-115 APPROXIMATELY 3.1 MILES TO THE INTERSECTION OF COUNTY ROAD B-191. EXIT LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG COUNTY ROAD B-191 APPROXIMATELY 4.1 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1,775 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM LA SAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 8.4 MILES IN A SOUTHEASTERLY DIRECTION.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map additional details.

2. Planned access road

The proposed access road will be approximately 1,775 of new construction. The road will be graded once per year minimum and maintained.

A) Approximate length	1,775 ft
B) Right-of-Way width	30 ft
C) Running Surface	18 ft
D) Surface Material	Native soil
E) Maximum grade	8%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface ownership	State
L) All new construction on lease	Yes
M) Pipeline crossing	None

Please see the attached location plat for additional details.

An off lease Right-of-Way will not be required for approximately.

All surface disturbances for the road and location will not be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

A) Producing well	None
B) Water well	None
C) Abandoned well	None
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling/Permitted well	None
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation well	None

Please see the attached map for additional details:

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a color to be determined by the Authorized Officer. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

If the well is capable of economic production a surface gas line will be required.

Approximately 26,760' of 6" steel buried gas gathering line would be constructed on Federal and State Lands. The line will tie into a proposed pipeline in Section 24, T29S, R24E. The pipeline would be buried to the north and west of the location and adjacent to the access road.

An off lease Right-of-Way will be required for approximately 20,490'.

Please see the attached location diagrams for pipeline location.

5. Location and type of water supply

Water for drilling and cementing will be hauled by water truck and will come from the nearest approved water source.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. If required, additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **12 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling and for fracture stimulation during completion. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a Storage tank for a period not to exceed 90 days after initial production. During The 90-day period and application for approval for permanent disposal method And location will be submitted to the authorized officer.

Onsite evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.

C) Garbage:

A commercial trash container will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

Portable chemical toilets will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

- A) Pad length 350 ft
- B) Pad width 258 ft
- C) Pit depth 12 ft
- D) Pit length 100 ft
- E) Pit width 50 ft
- F) Max cut 4.7ft
- G) Max fill 5.3ft
- H) Total cut yds. 3,540 cut yds
- I) Pit location South end
- J) Top soil location East and West ends
- K) Access road location West end
- L) Flare Pit Corner C

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Reserve pit used for drilling will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. All fence corners will be braced with an H-type brace. Within the wild horse range, the reserve pit fence shall be 48 inches high. In sheep allotments, the fence will have 48 inches of woven wire and cattle allotments will have four strands of barbed wire. Fences will be located at least four feet from the edge of pit slope.
- B) Corner pots shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- C) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- D) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface:

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and pit area. The topsoil removed and piled will amount to approximately 1,195 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the deadmen) will be recontoured.

Once the drilling rig moves off location, the reserve pit will be bird netted. The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled.

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time required for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Interim Seed Mix:

To be determined by the Authorized Officer.

11. Surface ownership:

Access road	State
Location	State
Pipeline	Federal & State

12. Other information:

A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of Sagebrush. Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water

The nearest water is Coyote Wash located 1,500' +/- to the North.

E) Chemicals

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction at least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion prior to moving on the drilling rig.
- c) Spud notice at least twenty-four (24) hours prior to spudding the well.

- d) Casing string and cementing at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner C** of reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification:

A) Representative

Terry Jackson
Cabot Oil & Gas
600 17th St., Ste. 900N
Denver, Colorado 80202

Office: 303-226-9429
Fax: 303-226-9436
Cellular: 303-868-6612

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route that I am familiar with the conditions which currently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be performed by Cabot Oil & Gas and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for filing of false statement.

Self Certification Statement

**The following self-certification statement is provided per Federal requirements
Dated June 15, 1988.**

**Please be advised that Cabot Oil and Gas is considered to be the operator
Of the following well:**

**McKenna 21-32
Section 32, T29S, R25E
NE/4 of the NW/4
Lease ML-48351
San Juan County, UT**

**Cabot Oil and Gas is responsible under the terms and conditions of the lease
for the operations conducted upon the lease lands.**

Bond 5809579 provides state-wide bond coverage on all lands.

Date: 5-14-07

Name: Daniel R. Rowe

Title: Landman

Onsite Dates:

Statement of use of Hazardous Materials

No chemical (s) from the EPA's consolidated list of Chemicals subject to Reporting Under Title III of the Superfund Amendments and Reauthorization. Act (SARA) of 1986 will be used, will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 CFR355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

Daniel R. Rowe / Terry L. Jackson
Cabot Oil and Gas Corporation
600 17th Street, Ste. 900N
Denver, Colorado 80202

Office: 303-226-9400
Direct PH#: Rowe: 303-226-9418
Jackson: 303-226-9429
Cell: Jackson: 303-868-6612
FAX#: 303-226-4063

Dan Rowe

From: Terry Jackson
Sent: Monday, August 13, 2007 1:19 PM
To: Dan Rowe
Subject: RE: McKenna #14-32

Dan:

Yes. We will plan on using the water in section 17.

Terry

-----Original Message-----

From: Dan Rowe
Sent: Monday, August 13, 2007 1:10 PM
To: Terry Jackson
Subject: FW: McKenna #14-32

Will this still be the case for the new location in the NW/4 of section 32, thanks, Dan

-----Original Message-----

From: Dan Rowe
Sent: Monday, July 30, 2007 2:52 PM
To: 'Brad Hill'
Cc: Terry Jackson
Subject: RE: McKenna #14-32

Brad, The source is a pond on Hardy Redd Ranch in Section 17 Township 29 South Range 24 East, Dan

-----Original Message-----

From: Brad Hill [mailto:bradhill@utah.gov]
Sent: Monday, July 30, 2007 2:41 PM
To: Dan Rowe
Subject: Re: McKenna #14-32

What is the source of the water that will be trucked in?

>>> "Dan Rowe" <Dan.Rowe@cabotog.com> 7/30/2007 2:20 PM >>>
Brad,

Cabot Oil & Gas Corporation owns the offset leases to the north and east of the Proposed McKenna #14-32 location, I have enclose a map which has Cabot Oil & Gas Corporation's leases colored yellow. The water for the well will be trucked in. Thank you for your help, please do not hesitate to call with any questions or comments, Daniel R. Rowe, 303-226-9418

8/13/2007

A. JOHN DAVIS, III
FREDERICK M. MACDONALD
ROBERT S. THOMPSON, III*
ANGELA L. FRANKLIN**
WILLIAM E. WARD
SHAWN T. WELCH
RELMA M. MILLER†
MATTHEW L. CROCKETT*

PRUITT GUSHEE

A PROFESSIONAL CORPORATION

48 W. MARKET STREET, SUITE 300
SALT LAKE CITY, UTAH 84101
(801) 531-8446
FAX: (801) 531-8468
WEBSITE: www.pruittgushee.com

SENIOR COUNSEL:

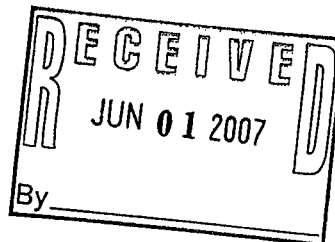
ROBERT G. PRUITT, JR.
OLIVER W. GUSHEE, JR.†

*ADMITTED IN COLORADO AND
WISCONSIN ONLY

**ALSO ADMITTED IN WYOMING
†ALSO ADMITTED IN COLORADO

May 30, 2007

Daniel R. Rowe, Landman
Cabot Oil & Gas Corporation
600 Seventeenth Street, Suite 900 North
Denver, CO 80202



DRILLING TITLE OPINION

(effective as of May 1, 2007)

Township 29 South, Range 25 East, SLM

Section 32: All

Section 36: All

(containing 1,280 acres in San Juan County, Utah)

*Surface
ownership
Page (3)*

LEASE INVOLVED:

State of Utah Oil, Gas and Hydrocarbon Lease

ML-48351

Dear Mr. Rowe:

We have examined title to the oil and gas lease described above and hereby report, as of May 1, 2007 at 8:00 a.m., our opinion of title for drilling purposes.

DOCUMENTS AND RECORDS EXAMINED:

As the basis for this Drilling Title Opinion, we have examined and have solely relied upon the following documents and records:

1. Official records of the School and Institutional Trust Lands Administration ("TLA"), Salt Lake City, Utah, pertaining to the captioned lands and as contained in the lease file for the captioned lease for the period from inception to May 1, 2007 at 8:00 a.m., as compiled by GeoScout Land & Title Company, P.O. Box 11126, Salt Lake City, Utah 84147 ("GeoScout").

2. Official records of San Juan County Recorder, Monticello, Utah, as indexed in the abstract (tract) indices against the captioned lands for the period from inception to May 2, 2007, at 8:00 a.m., and as indexed in the Federal tax lien, financing statement and judgment indices against any party having a record interest in the captioned lands and lease during the ten (10) years as to Federal tax liens and during the five (5) years as to financing statements prior to May 2, 2007, at 8:00 a.m., as compiled by GeoScout.

3. Official records of the Clerk of the Seventh Judicial District Court for San Juan County, Monticello, Utah, for any judgments entered, and actions pertaining to the captioned lands and lease pending, against any party having a record interest in the captioned lands and lease for the eight (8) years prior to May 2, 2007, as compiled by GeoScout.

4. Official San Juan County Zoning Map and pertinent portions of the current San Juan County Zoning Ordinance.

5. Official records of the Utah State Office, Bureau of Land Management ("BLM"), Salt Lake City, Utah, as indexed in the historical, geographical and plat indices against the captioned lands, from the period of inception to March 26, 1965, the date of patent issuance for the captioned lands, as compiled by GeoScout.

6. Official records of the Utah Division of Oil, Gas and Mining, Salt Lake City, Utah, pertaining to spacing orders, applications for permits to drill, and mine plans affecting the captioned lands, and to well cards for and production history of producing wells (if any) located on the captioned lands, as of May 2, 2007, at 8:00 a.m., as compiled by GeoScout.

OPINION OF TITLE

Based upon the title evidence listed above, and subject to the Comments, Qualifications and Requirements set forth below, it is our opinion that title to the captioned lands and lease is vested, as of the stated effective date, as follows:

CAPTIONED SECTION 32

SURFACE AND MINERAL OWNERSHIP IN CAPTIONED SECTION 32:

State of Utah

100%

(subject to TLA Metalliferous Lease ML-49583, subject to Grazing Permit GP-23169 and apparently to county road rights-of-way, *see* Comment 2, subject to captioned Oil, Gas and Hydrocarbon Lease ML-48351, *see* Comment 3)

CAPTIONED SECTION 36

SURFACE AND MINERAL OWNERSHIP IN CAPTIONED SECTION 36:

State of Utah 100%

(subject to Grazing Permit GP-21838 and apparently to county road rights-of-way, *see* Comment 2, the captioned Oil, Gas and Hydrocarbon Lease ML-48351, *see* Comment 3)

RIGHTS UNDER STATE OF UTAH OIL, GAS AND HYDROCARBON LEASE ML-48351:

Lessor's (Royalty) Interest:

State of Utah 12.5%
% Utah School and Institutional
Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

Lessee's Record Title Interest:

Cabot Oil & Gas Corporation 100% RT
600 Seventeenth Street, Suite 900 North
Denver, Colorado 80202

McKenna 21-32

Well Name: McKenna #21-32 API: N/A Aprox. Spud: August 21, 2007Sfc. Loc. 456' FNL 1686' FWL T 29S R 25E S 32Bh. Loc. 936' FNL 1206' FWLField: Wildcat - McKenna County: San Juan State: UTDeepest Objective: Ismay Total Depth/FM @ TD: Gothic / 7680'GL Elev. 6505' Est. KB Elev. - Confirm at Rig 6520' Rig Tool Pusher: COG Rep Cell: Geologist: Norm Greenberg Off: 303-226-9408 Home: N/A Cell 303-667-9824Email: norm.greenberg@caotog.comAlternate: Simon Cole Off: 303-226-9455 Home: N/A Cell 720-273-8281Email: simon.cole@cabotog.comCabot Office MAIN: 303-226-9400Cabot Sinlge Pg Fax: 303-226-4064Continuous Fax: 303-226-4062

Confirm First EMERGENCY ONLY

Cabot Oil and Gas Corp.

600 17th St., Ste. 900 N.

Denver, CO 80202

Formation	Approx. Log	SS	Est. Thick	Oil/Gas	DST	Core
Sfc. Csg.	2400'	2400'				
Lwr Ctlr Unc	4240	2265				
Honaker Trail	5457	1096				
LaSal Lime	6629'	-29'	126			
HT #2	6967'	-354'	70	GAS		
HT#1	7133'	-514'	15			
Ismay	7327'	-700'	135			
Hovenweep	7461'	-829'	60			
Ismay Lower	7523'	-888'	66			
Gothic Shale	7588'	-950'	98			
TD	7680'					

Offset Wells:

API Number	Well Name	T - R - S	County / State
430373184100	Cabot McKenna #14-14	29S - 24E - 14	San Juan, CO
430373183800	Encana Middle Mesa State #36-14	29S - 24E - 36	San Juan, CO
430373185400	Encana Middle Mesa Unit #31-31	29S - 25E - 31	San Juan, CO
430373071400	C&K Pet.#7-6	30S - 25E - 06	San Juan, CO
430373183100	Bull Horn Unit #10-43	30S - 25E - 10	San Juan, CO
430373184300	Bull Horn Unit #9-14	30S - 25E - 09	San Juan, CO
430371622000	Pure Oil Big Indian #3	30S - 25E - 10	San Juan, CO
430371094200	Pubco Pet Big Indian #6	30S - 25E - 24	San Juan, CO
430371622100	Pure Oil Big Indian #4	30S - 25E - 14	San Juan, CO

General Notes:

• **Do not TD well in a show** – either at intermediate casing or at total depth – CALL GEOLOGIST to consult for new TD so interval with show can be seen on open hole logs.

• **IF /when** having problems with equipment that will compromise gas readings in Target Zones **STOP DRILLING – PICK UP AND CIRCULATE UNTIL PROBLEM IS FIXED.**

Mud logger should communicate with rig crew, tool pusher, and company man before encountering pay zones so ANY rig work, pump maintenance, etc. can be completed before drilling of pay zones.

• **KEEP MUDLOGGER TO MONITOR RATHOLE GAS IF TD IS EXTENDED after logging.**

Mudlogging Co: Great Divide

Two Man Logging Unit On From (~1000') to TD.

Office: 307-362-3809 C: 307-350-0919Logging Unit Cell: Mudloggers: Email: derek.hill@hotmail.comCell: Cell:

McKenna 21-32

Samples: Yes, 10' and 20' intervals, dry cut; **5' interval or better through pay zones/shows.** Examine both wet and dry samples of cuttings. Keep one good volume set of samples. Record bit sizes, mud data, dates, formation tops, etc. on mud log; send digital file and photos. Record ALL abnormal conditions – well kicking, pumps down, WOB, LCZ's, amount of LCM in mud, hole conditions before/during trip out of hole for logs (intermediate and TD), etc. **Be sure to describe samples, fluor, cut, etc. under wet and dry conditions.**

Catch a circulated mud sample in a clean, dry container at TD before TOOH for logs.

Keep in mud logging trailer and give to logging company when they arrive on site.

Core(s): Yes - Sidewalls in HT #2 after TD

DST(s): NO

Logging Company / Contact:

Schlumberger / Tom Miller

Office: 303-389-4439

Cell 303-548-5055

Home: 303-548-5055

Email: tjr1@denver.oilfield.slb.com

Logging Base: Farmington

Farmington Personnel:

Base Manager: Alex Albert

Cell 505-330-2802

Field Sales: Bill Kelt

Cell 505-330-2814

Svc Qual Coach: Roger Sitton

Cell 505-215-2480

Logging Program: Ensure satellite communications are functioning after arrival on location. **IF/WHEN satellite communications fail - use Mudloggers or Company Man's phone/email.**

Run 1: 2,100' to Surface. Gamma Ray.

Run 2: 8,212' (TD) to 2,100' (int). Platform Express with Laterlog and BHC Sonic. **Logs to be run on SS matrix.**

Comments: Well should naturally drift to the southwest.

*** EMAIL repeat IMMEDIATELY and directly to norm.greenberg@cabotog.com and simon.cole@cabotog.com. ***

***Cut out Main Pass images and LAS from TD to TBD and email to Norm Greenberg and Simon Cole as soon as possible. ***

Logging Specifications and Instructions:

- SEE CABOT DIGITAL LOG SET-UP FILE(s) for scales and formats [including Hi Res].
- Get circulated mud sample from MUDLOGGER. Ask Mudlogger about abnormal hole conditions.
- Tool insurance is requested.
- Document tools are within calibration specs and that shop calibrations are no older than 30 days.
- **Matrix density - SS .**
- Insure SP surface electrode is properly placed; DO NOT place in cellar.
- Perform casing caliper checks and include on log.
- See mud logger for circulated mud sample for Rm, Rmf.
- Record abnormal conditions (well kicking, tool sticking, location of bridges, etc.) in log remarks section.
- Record pad type (Density) and Resistivity logs at no greater than 60 ft/min (3600ft/hr).
- Record image tools at no greater than 30 ft/min (1800 ft/hr); discuss image tool repeats and pad pressure with geologists.
- Record/note ALL tool/log corrections applied (i.e., barite, resolution, invasion, etc.) and the specifics of the corrections applied to each tool/curve in the log remarks section and in the LAS file remarks section.
- Run repeat logs a minimum of 400 ft.
- Present temperature in depth tract on five inch (5") logs.
- Present hole volume on all five inch (5") logs.
- Create bit size (BITS) curve in LAS file and on prints for mud cake and washouts with Caliper.
- Send preliminary LAS file after logging pay zone and final LAS with 14 digit api and uwi number in ~Well block
- **DO NOT FAX LOGS.**

Call Simon Cole with any questions / comments.

McKenna 21-32

Samples: Yes, 10' and 20' intervals, dry cut; **5' interval or better through pay zones/shows.** Examine both wet and dry samples of cuttings. Keep one good volume set of samples. Record bit sizes, mud data, dates, formation tops, etc. on mud log; send digital file and photos. Record ALL abnormal conditions – well kicking, pumps down, WOB, LCZ's, amount of LCM in mud, hole conditions before/during trip out of hole for logs (intermediate and TD), etc. **Be sure to describe samples, fluor, cut, etc. under wet and dry conditions.**

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Keep in mud logging trailer and give to logging company when they arrive on site.

Core(s): Yes - Sidewalls in HT #2 after TD

DST(s): NO

Logging Company / Contact:

Schlumberger / Tom Miller

Office: 303-389-4439

Cell 303-548-5055

Home: 303-548-5055

Email: tjr1@denver.oilfield.slb.com

Logging Base: Farmington

Farmington Personnel:

Base Manager: Alex Albert

Cell 505-330-2802

Field Sales: Bill Kelt

Cell 505-330-2814

Svc Qual Coach: Roger Sitton

Cell 505-215-2480

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***Cut out Main Pass images and LAS from TD to TBD and email to Norm Greenberg and Simon Cole as soon as possible. ***

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- Get circulated mud sample from MUDLOGGER. Ask Mudlogger about abnormal hole conditions.
- Tool insurance is requested.
- Document tools are within calibration specs and that shop calibrations are no older than 30 days.
- **Matrix density - SS .**
- Insure SP surface electrode is properly placed; DO NOT place in cellar.
- Perform casing caliper checks and include on log.
- See mud logger for circulated mud sample for Rm, Rmf.
- Record abnormal conditions (well kicking, tool sticking, location of bridges, etc.) in log remarks section.
- Record pad type (Density) and Resistivity logs at no greater than 60 ft/min (3600ft/hr).
- Record image tools at no greater than 30 ft/min (1800 ft/hr); discuss image tool repeats and pad pressure with geologists.
- Record/note ALL tool/log corrections applied (i.e., barite, resolution, invasion, etc.) and the specifics of the corrections applied to each tool/curve in the log remarks section and in the LAS file remarks section.
- Run repeat logs a minimum of 400 ft.
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- Present hole volume on all five inch (5") logs.
- Create bit size (BITS) curve in LAS file and on prints for mud cake and washouts with Caliper.
- **Send preliminary LAS file after logging pay zone and final LAS with 14 digit api and uwi number in ~Well block**
- **DO NOT FAX LOGS.**

Call Simon Cole with any questions / comments.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No.

UTU 7925 9

OFFER TO LEASE AND LEASE FOR OIL AND GAS

22- The undersigned (reverse) offers to lease all or any of the lands in Item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 18 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

READ INSTRUCTIONS BEFORE COMPLETING

1. Name Contex Energy Company
Street 1645 Court Place #212
City, State, Zip Code Denver, CO 80202

2. This application/offer/lease is for: (Check only One) ☒ PUBLIC DOMAIN LANDS

☐ ACQUIRED LANDS (percent U.S. interest _____)

Surface managing agency if other than BLM: _____ Unit/Project _____

Legal description of land requested:

*Parcel No.: _____

*Sale Date (m/d/y): XX / 9 / 2000

*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. 29 S. R. 25 E. Meridian SL State Utah County San Juan

Sec. 24: All;
Sec. 25: All;
Sec. 26: All;
Sec. 27: All;
Sec. 28: All;
Sec. 29: All;
Sec. 33: All;

Sec. 34: All;
Sec. 35: All;

DEPT. OF INTERIOR
BUREAU OF LAND MGMT
RECEIVED
ACCOUNTS UNIT
FEB - 7 PM 2:53
DIANA STATE OFFICE

Amount remitted: Filing fee \$ 75.00

Rental fee \$ 8,640.00

Total acres applied for 5,760.00
Total \$ 8,715.00

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. R. Meridian State

E 063571 B 794 P 0660
Date 4-MAY-2001 14:45pm 662
Fee: 22.00 Check
LOUISE C JONES, Recorder
Filed By IH
For CARBOT OIL & GAS CORP
SAN JUAN COUNTY CORPORATION

Total acres in lease _____

Rental retained \$ _____

This lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (except helium) in the lands described in Item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☒ Noncompetitive lease (ten years)

☐ Competitive lease (ten years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____

Chf, Branch of
Minerals Adjudication

(Title)

MAR 28 2001

(Date)

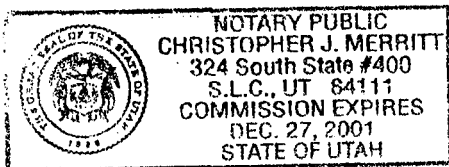
EFFECTIVE DATE OF LEASE

APR 01 2001

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

On this day of MAR 28 2001, before me appeared Robert Lopez, to me personally known, who being by me duly sworn did say that he is the Chief, Branch of Minerals Adjudication, Bureau of Land Management, Utah State Office, and that the original of the foregoing instrument was signed on behalf of said Bureau, and that he acknowledged said instrument to be the free and voluntary act of said Bureau.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the month, day and year first above written.



Christopher J. Merritt
Notary Public

E 063571 B 794 P 0662

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.
UTU79259
Lease Effective Date
(Anniversary Date)
April 1, 2001
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Cabot Oil & Gas Corporation
Street 600 Seventeenth Street, Suite 900 N
City, State, ZIP Code Denver, CO 80202

*If more than one assignee check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: (Check one) ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) ☒ Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein. a	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned b	Conveyed c	Retained d	Reserved e	Previously reserved or conveyed f
TOWNSHIP 29 SOUTH, RANGE 25 EAST, SLM. Section 24: All Section 25: All Section 26: All Section 27: All Section 28: All Section 29: All Section 33: All Section 34: All Section 35: All containing 5,760.00 acres, more or less, in San Juan County, Utah	100%	100%	-0-	-0-	-0-

FOR BLM USE ONLY – DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

☒ Assignment approved for above described lands;

☐ Assignment approved for attached land description

Assignment approved effective JUN 7 2001

☐ Assignment approved for land description indicated on reverse of this form.

By Connie J. Hall
(Authorized Officer)

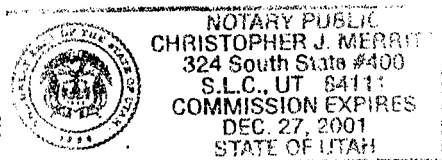
Acting Chief, Branch of
Minerals Adjudication
(Title)

MAY 7 2001
(Date)

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

On this day of MAY 7 2001, before me appeared /s/ Connie J. Seare, to me personally known, who being by me duly sworn did say that SHE is the Acting Chief, Branch of Minerals Adjudication, Bureau of Land Management, Utah State Office, and that the original of the foregoing instrument was signed on behalf of said Bureau, and that SHE acknowledged said instrument to be the free and voluntary act of said Bureau.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the month, day and year first above written.



Christopher J. Merritt
Notary Public

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0034
Expires: September 30, 1998

ASSIGNMENT OF RECORD TITLE INTEREST IN A
LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)
Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.
UTU79259
Lease Effective Date
(Anniversary Date)
April 1, 2001
New Serial No.

Type or print plainly in ink and sign in ink.

PART A: ASSIGNMENT

1. Assignee* Cabot Oil & Gas Corporation
Street 600 Seventeenth Street, Suite 900 N
City, State, ZIP Code Denver, CO 80202

*If more than one assignee check here ☐ and list the name(s) and address(es) of all additional assignees on the reverse of this form or on a separate attached sheet of paper.

This record title assignment is for: (Check one) ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) ☒ Record Title, ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This assignment conveys the following interest:

Land Description Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein. a	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned b	Conveyed c	Retained d	Reserved e	Previously reserved or conveyed f
TOWNSHIP 29 SOUTH, RANGE 25 EAST, SLM. Section 24: All Section 25: All Section 26: All Section 27: All Section 28: All Section 29: All Section 33: All Section 34: All Section 35: All containing 5,760.00 acres, more or less, in San Juan County, Utah	100%	100%	-0-	-0-	-0-

E 063572 B 794 P 0663
Date 4-MAY-2001 14:47pm
Fee: 20.00 Check
LOUISE C JONES, Recorder
Filed By IH
For CABOT OIL & GAS CORP
SAN JUAN COUNTY CORPORATION

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE

UNITED STATES OF AMERICA

This assignment is approved solely for administrative purposes. Approval does not warrant that either party to this assignment holds legal or equitable title to this lease.

☐ Assignment approved for above described lands;

☐ Assignment approved for attached land description

Assignment approved effective _____

☐ Assignment approved for land description indicated on reverse of this form.

By _____
(Authorized Officer)

(Title)

(Date)

TRANSFER OF OPERATING RIGHTS (SUBLEASE) IN A LEASE FOR OIL AND GAS OR GEOTHERMAL RESOURCES

Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.)
Act for Acquired Lands of 1947 (30 U.S.C. 351-359)
Geothermal Steam Act of 1970 (30 U.S.C. 1001-1025)

Department of the Interior Appropriations Act, Fiscal Year 1981 (42 U.S.C. 6508)

Lease Serial No.

SEE ATTACHED

Type or print plainly in ink and sign in ink.

PART A: TRANSFER

1. Transferee (Sublessee)* **BURLINGTON RESOURCES OIL & GAS COMPANY LP**
 Street **POST OFFICE 4289**
 City, State, ZIP Code **FARMINGTON, NEW MEXICO 87499**

*If more than one transferee, check here ☐ And list the name(s) and address(es) of all additional transferees on the reverse of this form or on a separate attached sheet of paper.

This transfer is for: (Check One) ☒ Oil and Gas Lease, or ☐ Geothermal Lease

Interest conveyed: (Check one or both, as appropriate) ☒ Operating Rights (sublease) ☐ Overriding Royalty, payment out of production or other similar interests or payments

2. This transfer (sublease) conveys the following interest:

Land Description Additional space on reverse, if needed. Do not submit documents or agreements other than this form; such documents or agreements shall only be referenced herein.	Percent of Interest			Percent of Overriding Royalty or Similar Interests	
	Owned	Conveyed	Retained	Reserved	Previously reserved or conveyed
	b	c	d	e	f
<p>A</p> <p>SEE ATTACHED EXHIBIT "A"</p> <p>ORIGINAL FILED IN</p> <p><u>UTU-79179</u></p>			<p>E 000538 P 006 P 0181</p> <p>Date 20-JUN-2002 10:05am</p> <p>Fee: 26.00 Check</p> <p>LOUISE C JONES, Recorder</p> <p>Filed By SS</p> <p>For BURLINGTON RESOURCES</p> <p>SAN JUAN COUNTY CORPORATION</p>		<p>185</p>
			<p>E 457619 B 0583 P 354</p> <p>Date 5-JUL-2002 11:27am</p> <p>Fee: 26.00 Check</p> <p>MERLENE MOSHER, Recorder</p> <p>Filed By PL</p> <p>For BURLINGTON RESOURCES</p> <p>GRAND COUNTY CORPORATION</p>		<p>358</p>

FOR BLM USE ONLY - DO NOT WRITE BELOW THIS LINE
THE UNITED STATES OF AMERICA

This transfer is approved solely for administrative purposes. Approval does not warrant that either party to this transfer holds legal or equitable title to this lease.

☒ Transfer approved effective JUN 11 2004

By [Signature]
(Authorized Officer)

Chief, Branch of
Minerals Adjudication

(Title)

JUN 12 2002
(Date)

(Date)

413-309

EXHIBIT "A"

Attached to and made a part of that certain Transfer of Operating Rights
between Cabot Oil & Gas Corporation, as Transferor, and Burlington Resources Oil & Gas Company LP, as Transferee

LEASE SERIAL NO.	LAND DESCRIPTION	INTEREST OWNED	INTEREST CONVEYED	INTEREST RETAINED	ORRI RESERVED	PREVIOUSLY RESERVED
43-305 UTU-79179 26158200	<u>Township 21 South, Range 19 East</u> Sec 10: SENE, SW, NESE, S2SE Sec 11: SWNW, W2SW Sec 14: W2NW, SW, S2SE Sec 15: All Containing 1,400.00 acres, more or less Grand County, Utah	100.00%	50.00%	50.00%	None	None
43-306 UTU-79180 26158500	<u>Township 23 South, Range 21 East</u> Sec 01: Lot 1 (19.63), 2 (19.56), 3 (19.50), 4 (19.43), S2 Sec 12: All Containing 1,038.12 acres, more or less Grand County, Utah	100.00%	50.00%	50.00%	None	None
43-307 UTU-79181 26158400	<u>Township 23 South, Range 21 East</u> Sec 03: Lot 1 (19.48), 2 (19.47), 3 (19.45), 4 (19.44), S2 Sec 10: All Sec 11: All Containing 1,677.84 acres, more or less Grand County, Utah	100.00%	50.00%	50.00%	None	None
43-308 UTU-79258 26156400	<u>Township 29 South, Range 25 East</u> Sec 08: E2 Sec 09: NWNW Sec 10: S2NE, NWSW, SESE Sec 11: N2SE Sec 13: NESW Sec 14: S2 Sec 17: SWNW, SESW, W2SE, SESE	100.00%	50.00%	50.00%	None	None

E 457619 B 0583 P 356

~~E 066539 B 806 P 0183~~

EXHIBIT "A"

Attached to and made a part of that certain Transfer of Operating Rights
between Cabot Oil & Gas Corporation, as Transferor, and Burlington Resources Oil & Gas Company LP, as Transferee

LEASE SERIAL NO.	LAND DESCRIPTION	INTEREST OWNED	INTEREST CONVEYED	INTEREST RETAINED	ORRI RESERVED	PREVIOUSLY RESERVED
UTU-79258 (continued)	Sec 18: E2NE, NWNE Sec 19: All Sec 20: All Sec 21: All Sec 22: All Sec 23: All Containing 4,482.12 acres, more or less San Juan County, Utah					
43-309 UTU-79259 26158000	<u>Township 29 South, Range 25 East</u> Sec 24: All Sec 25: All Sec 26: All Sec 27: All Sec 28: All Sec 29: All Sec 33: All Sec 34: All Sec 35: All	100.00%	50.00%	50.00%	None	None
43-310 UTU-79296 26158100	Containing 5,760.00 acres, more or less San Juan County, Utah <u>Township 29 South, Range 25 East</u> • Sec 09: SENE, SWNW Containing 80.00 acres, more or less San Juan County, Utah	100.00%	50.00%	50.00%	None	None

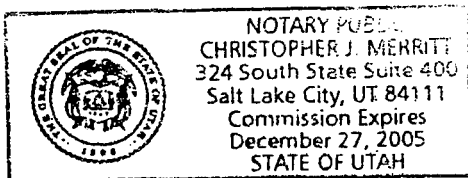
E 457619 B 0583 P 357

~~E 066529 B 806 P 0184~~

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

On this day of JUN 12 2002, before me appeared Robert Lopez, to me personally known, who being by me duly sworn did say that he is the Chief, Branch of Minerals Adjudication, Bureau of Land Management, Utah State Office, and that the original of the foregoing instrument was signed on behalf of said Bureau, and that he acknowledged said instrument to be the free and voluntary act of said Bureau.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the month, day and year first above written.



Christopher J. Merritt
Notary Public

E 457619 B 0583 P 358

~~E 066539 B 806 P 0185~~

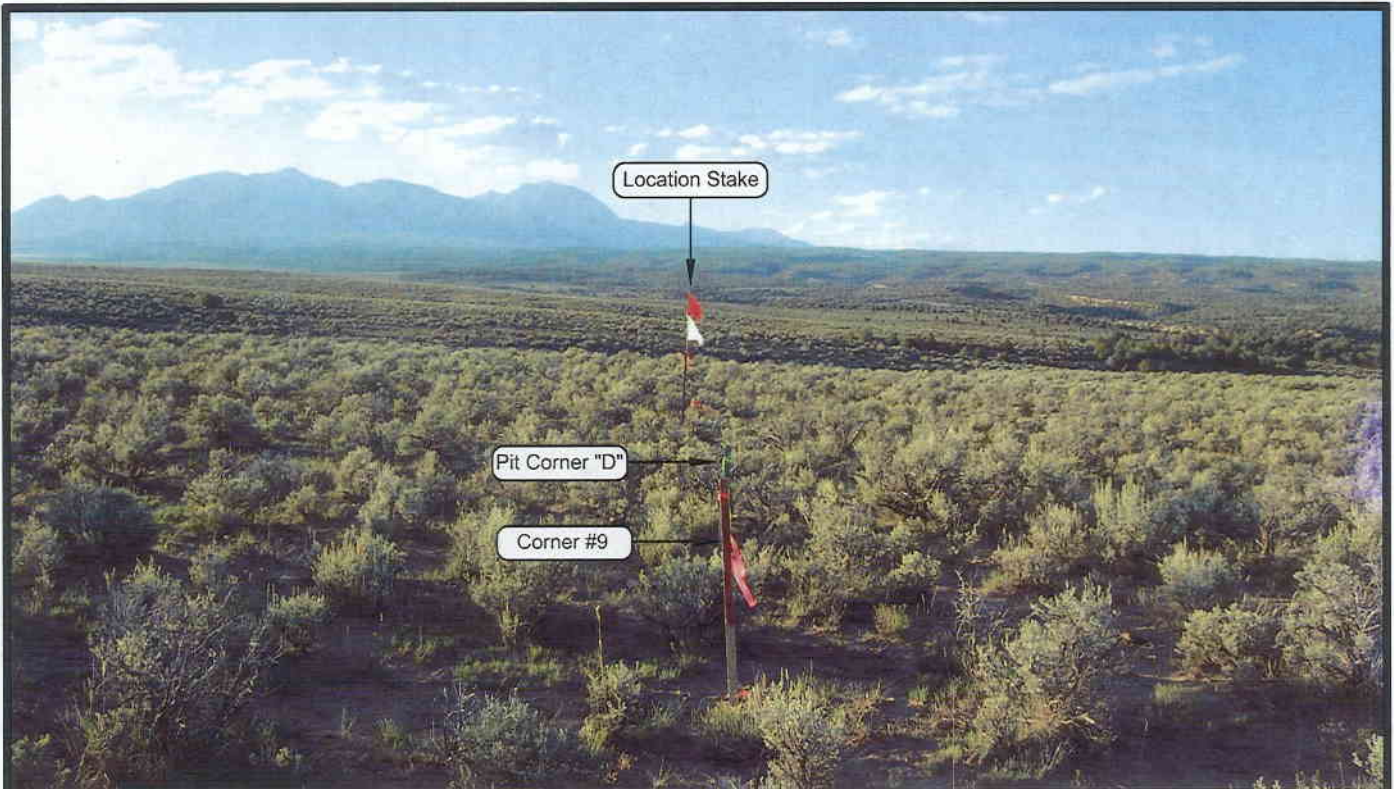


PHOTO VIEW: FROM CORNER #9 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

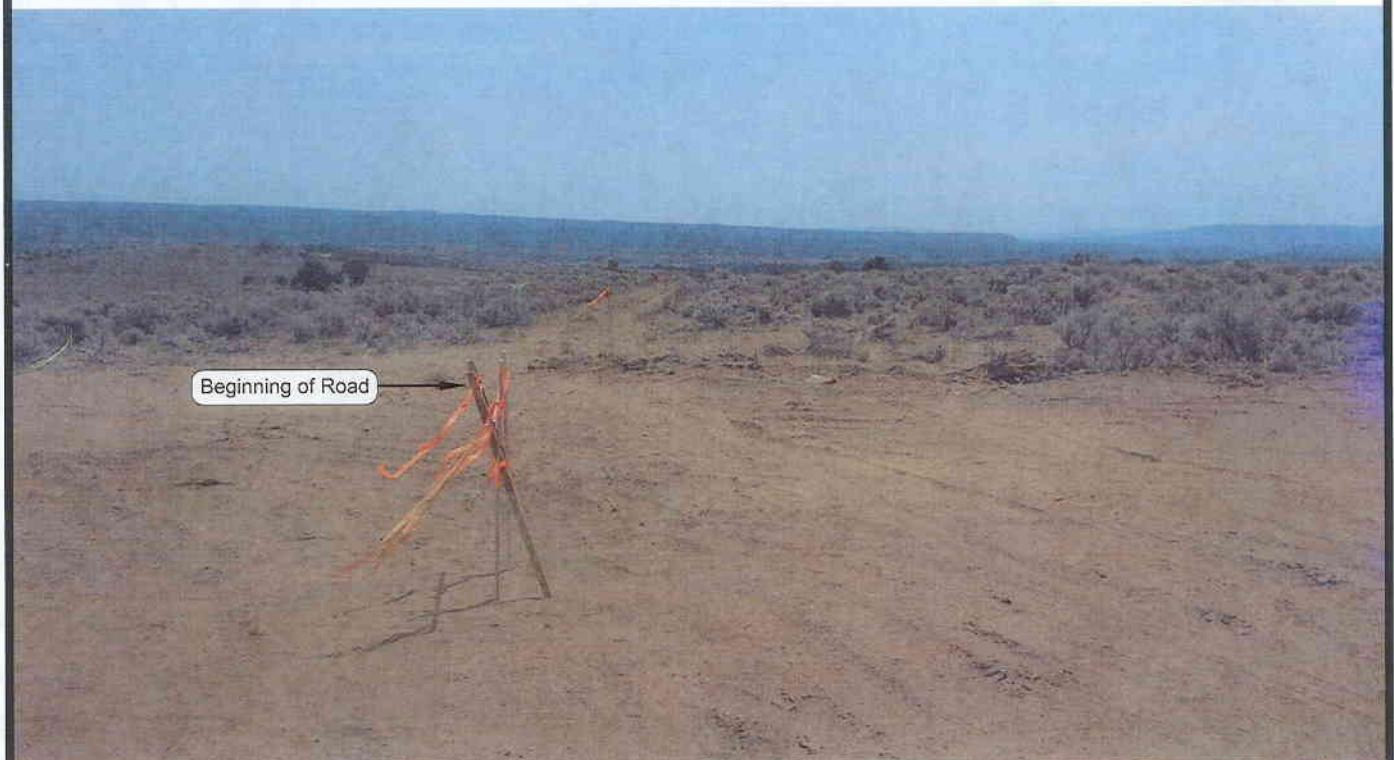


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHEASTERLY

CABOT OIL AND GAS

McKenna 21-32

SECTION 32, T29S, R25E, S.L.B.&M.

Surface: 456' FNL & 1686' FWL

LOCATION PHOTOS

DATE TAKEN: 08-11-07

DATE DRAWN: 08-13-07

TAKEN BY: B.J.S.

DRAWN BY: M.W.W.

REVISED:

Timberline

(435) 789-1365

Engineering & Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET

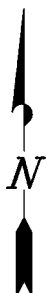
1

OF 11

CABOT OIL AND GAS

WELL PAD INTERFERENCE PLAT

MCKENNA 21-32



BASIS OF BEARINGS IS THE NORTH LINE OF THE NE 1/4 OF SECTION 32, T29S, R25E, S.L.B.&M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR S88°52'56"E.

BASIS OF ELEVATION IS BENCH MARK G127 1934 LOCATED IN THE WEST 1/2 OF SECTION 3, T29S, R24E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE LA SAL WEST, UTAH 7.5 MIN. QUADRANGLE AS BEING 6844'.

RELATIVE COORDINATES		
From Surface Position to Bottom Hole		
WELL	NORTH	EAST
21-32	-479'	-480'

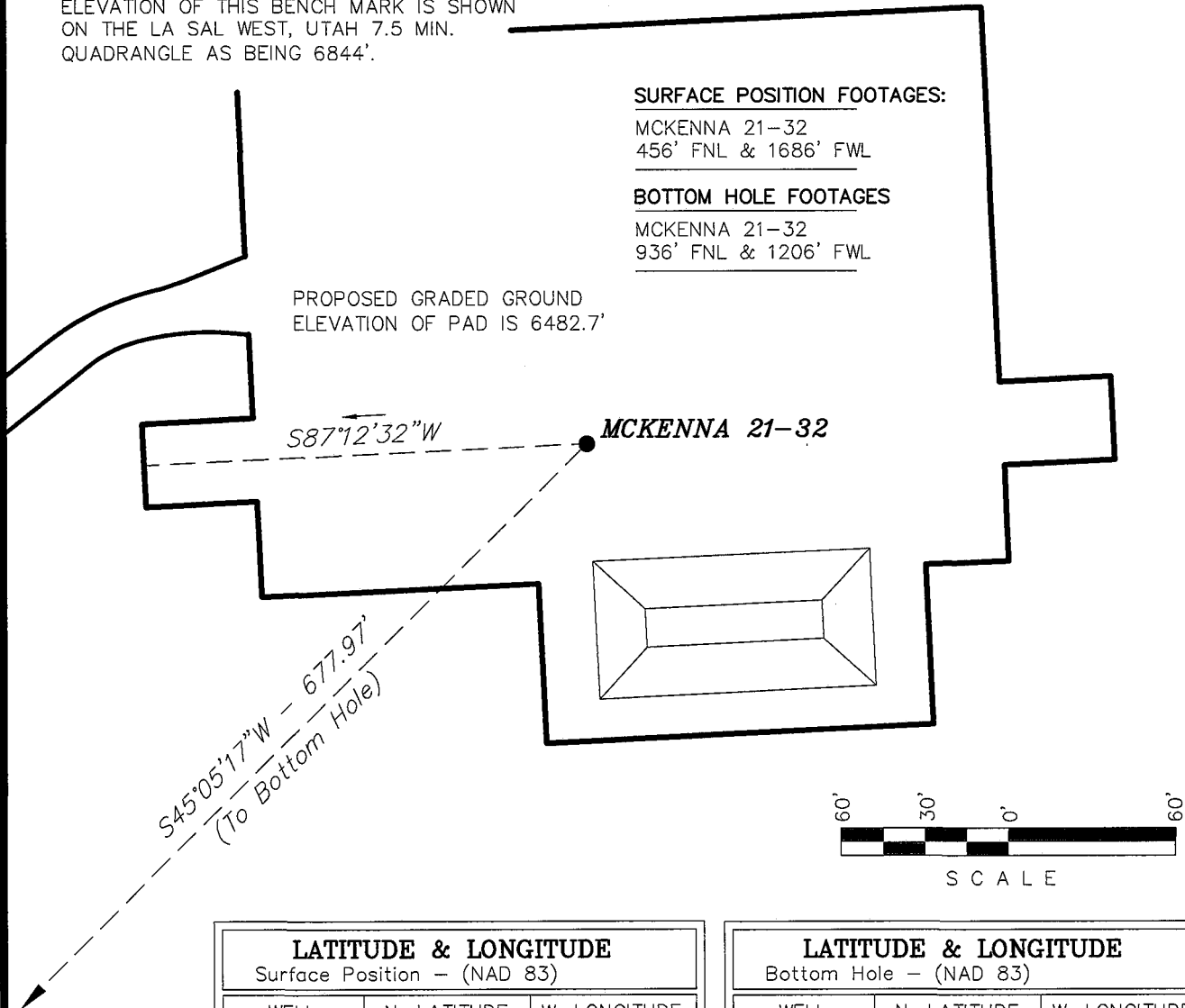
SURFACE POSITION FOOTAGES:

MCKENNA 21-32
456' FNL & 1686' FWL

BOTTOM HOLE FOOTAGES

MCKENNA 21-32
936' FNL & 1206' FWL

PROPOSED GRADED GROUND
ELEVATION OF PAD IS 6482.7'

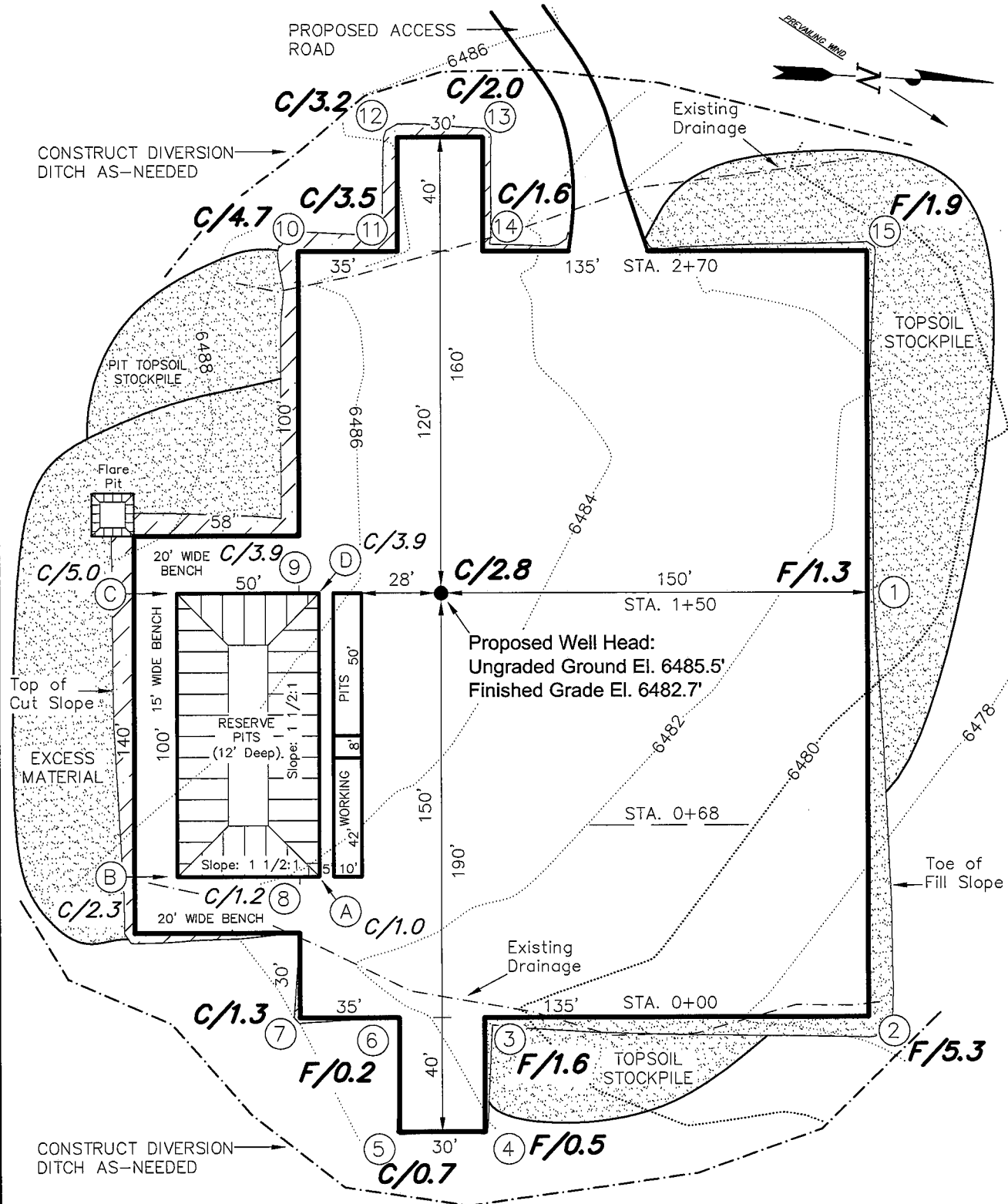


LATITUDE & LONGITUDE		
Surface Position - (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
MCKENNA 21-32	38°14'37.88"N	109°11'36.96"W
	38.243855°N	109.193600°W
	(NAD 27)	
	38°14'37.92"N	109°11'34.57"W
	38.243866°N	109.192935°W

LATITUDE & LONGITUDE		
Bottom Hole - (NAD 83)		
WELL	N. LATITUDE	W. LONGITUDE
MCKENNA 21-32	38°14'33.15"N	109°11'42.98"W
	38.242542°N	109.195273°W
	(NAD 27)	
	38°14'33.19"N	109°11'40.59"W
	38.242553°N	109.194608°W

CABOT OIL AND GAS

CUT SHEET MCKENNA 21-32



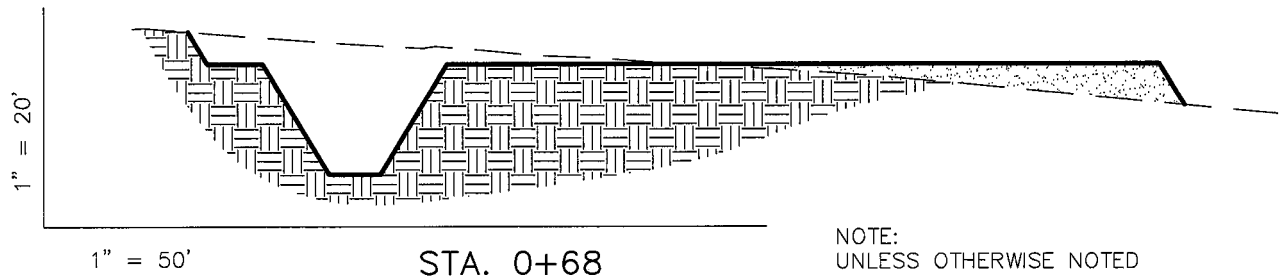
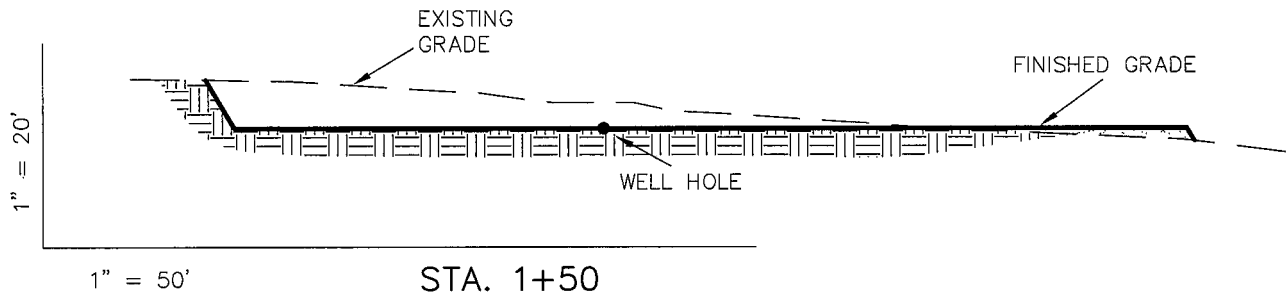
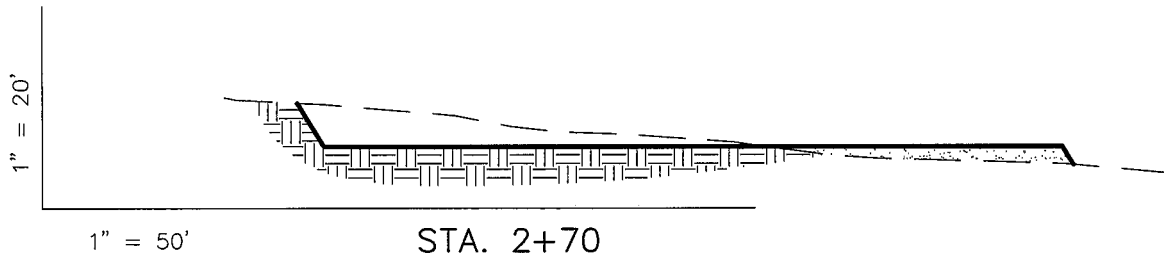
CONTOUR INTERVAL = 2'

Section 32, T29S, R25E, S.L.B.&M.		Qtr/Qtr Location: NE NW (Surface)	
Date Surveyed: 08-11-07	Date Drawn: 08-13-07	Date Last Revision:	Timberline (435) 789-1365
Surveyed By: B.J.S.	Drawn By: M.W.W.	Scale: 1" = 50'	Engineering & Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078
			SHEET 4 OF 11

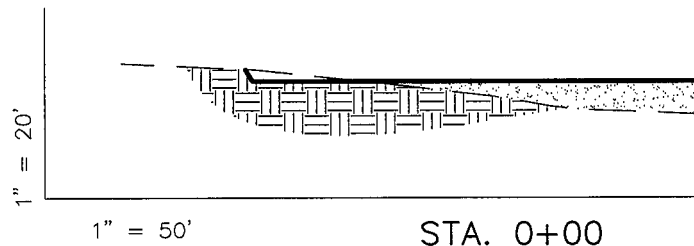
CABOT OIL AND GAS

CROSS SECTIONS

MCKENNA 21-32



NOTE:
UNLESS OTHERWISE NOTED
ALL CUT/FILL SLOPES ARE
AT 1.5:1



Pit overburden is included in pad cut.

ESTIMATED EARTHWORK QUANTITIES (No shrink or swell adjustments have been used) (Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	2,370	2,370	Topsoil is not included in Pad Cut	0
PIT	1,170	0		1,170
TOTALS	3,540	2,370	1,190	1,170

Excess Material after Pit Rehabilitation = 0 Cu. Yds.

REFERENCE POINTS

200' NORTHERLY = 6479.2'
250' NORTHERLY = 6475.8'
240' EASTERLY = 6484.2'
290' EASTERLY = 6485.8'

Section 32, T29S, R25E, S.L.B.&M.

Qtr/Qtr Location: NE NW (Surface)

Date Surveyed:
08-11-07

Date Drawn:
08-13-07

Date Last Revision:

Surveyed By: B.J.S.

Drawn By: M.W.W.

Scale: 1" = 50'

Timberline

(435) 789-1365

Engineering & Land Surveying, Inc.

38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET

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OF 11

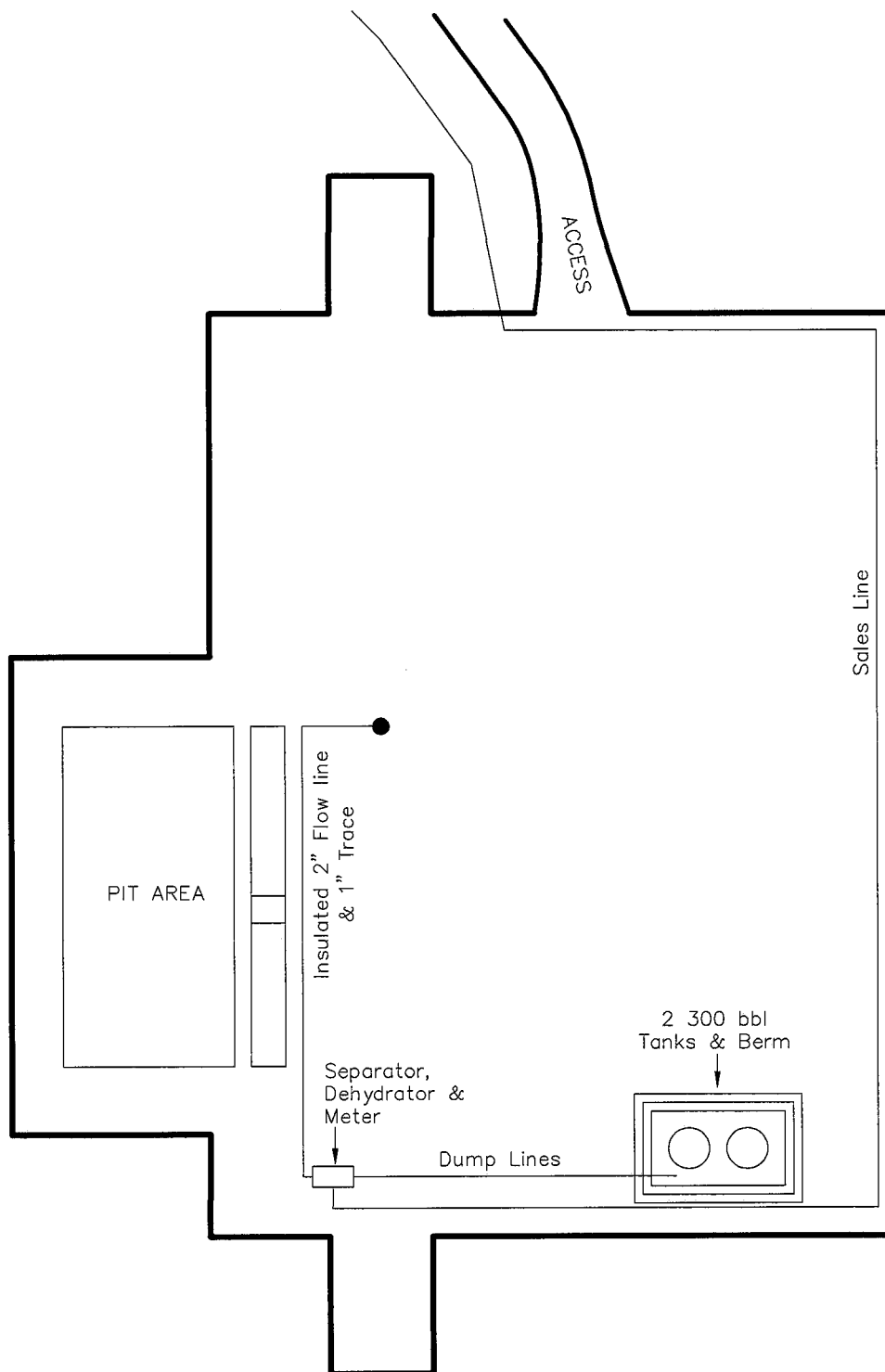
MCKENNA 21-32



CABOT OIL AND GAS

TYPICAL PRODUCTION LAYOUT

MCKENNA 21-32



Section 32, T29S, R25E, S.L.B.&M.		Qtr/Qtr Location: NE NW (Surface)	
Date Surveyed: 08-11-07	Date Drawn: 08-13-07	Date Last Revision:	Timberline (435) 789-1365 Engineering & Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: B.J.S.	Drawn By: M.W.W.	Scale: 1" = 50'	

SHEET
7
OF 11



LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)

(B-5460) = COUNTY ROAD CLASS & NUMBER

TOPOGRAPHIC MAP "A"

SCALE: 1:100,000

DRAWN BY: M.W.W.

DATE SURVEYED: 08-11-07

DATE DRAWN: 08-13-07

REVISED:

CABOT OIL AND GAS

McKenna 21-32

SECTION 32, T29S, R25E, S.L.B.&M.

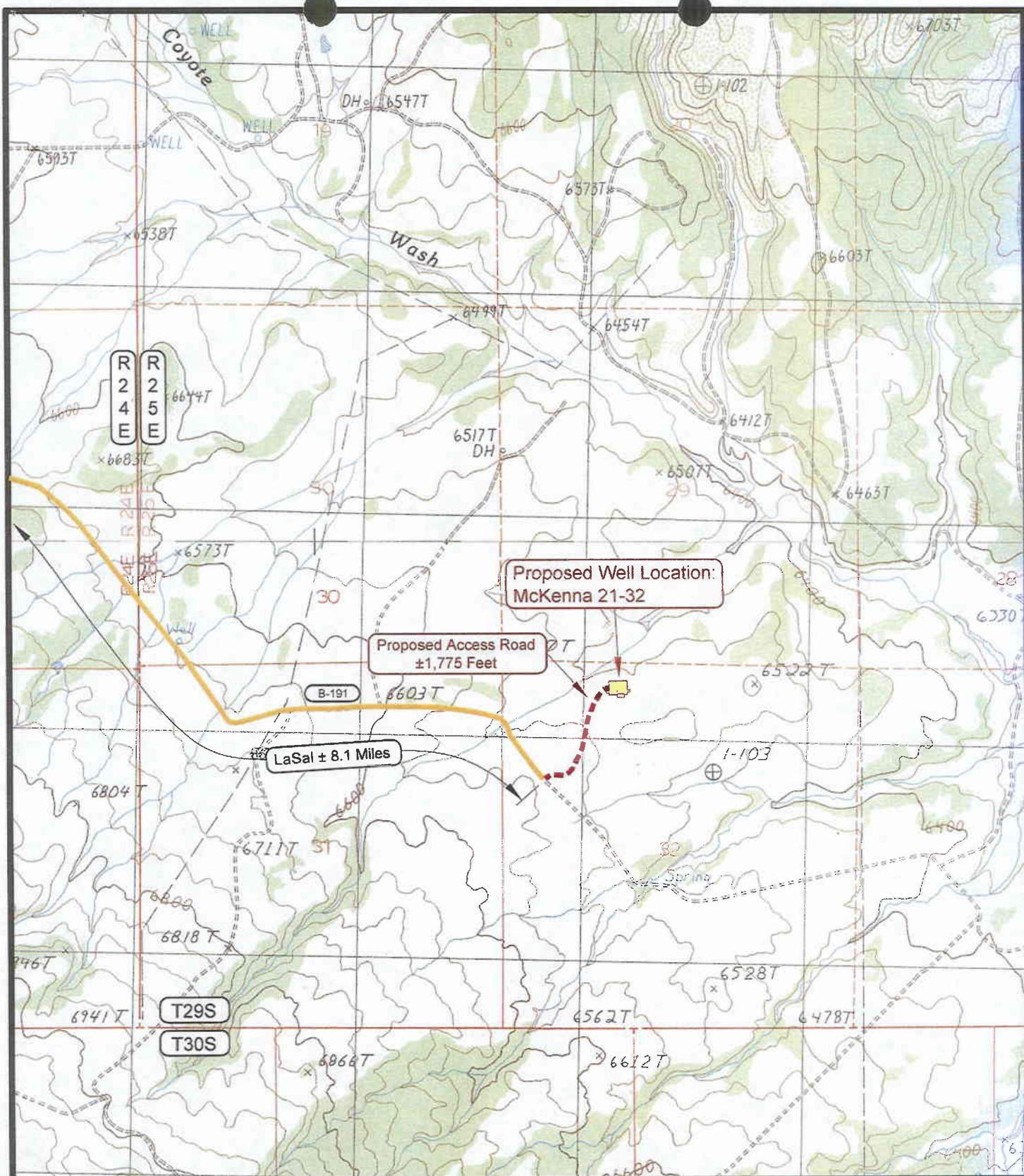
Surface: 456' FNL & 1686' FWL

Timberline

Engineering & Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

(435) 789-1365

SHEET
8
OF 11



LEGEND

- PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = SHARED ACCESS
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- (B-5460) = COUNTY ROAD CLASS & NUMBER
- = LEASE LINE AND / OR PROPERTY LINE

TOPOGRAPHIC MAP "B"

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

DATE SURVEYED: 08-11-07

DATE DRAWN: 08-13-07

REVISED:

CABOT OIL AND GAS

McKenna 21-32

SECTION 32, T29S, R25E, S.L.B.&M.

Surface: 456' FNL & 1686' FWL

Timberline

Engineering & Land Surveying, Inc.

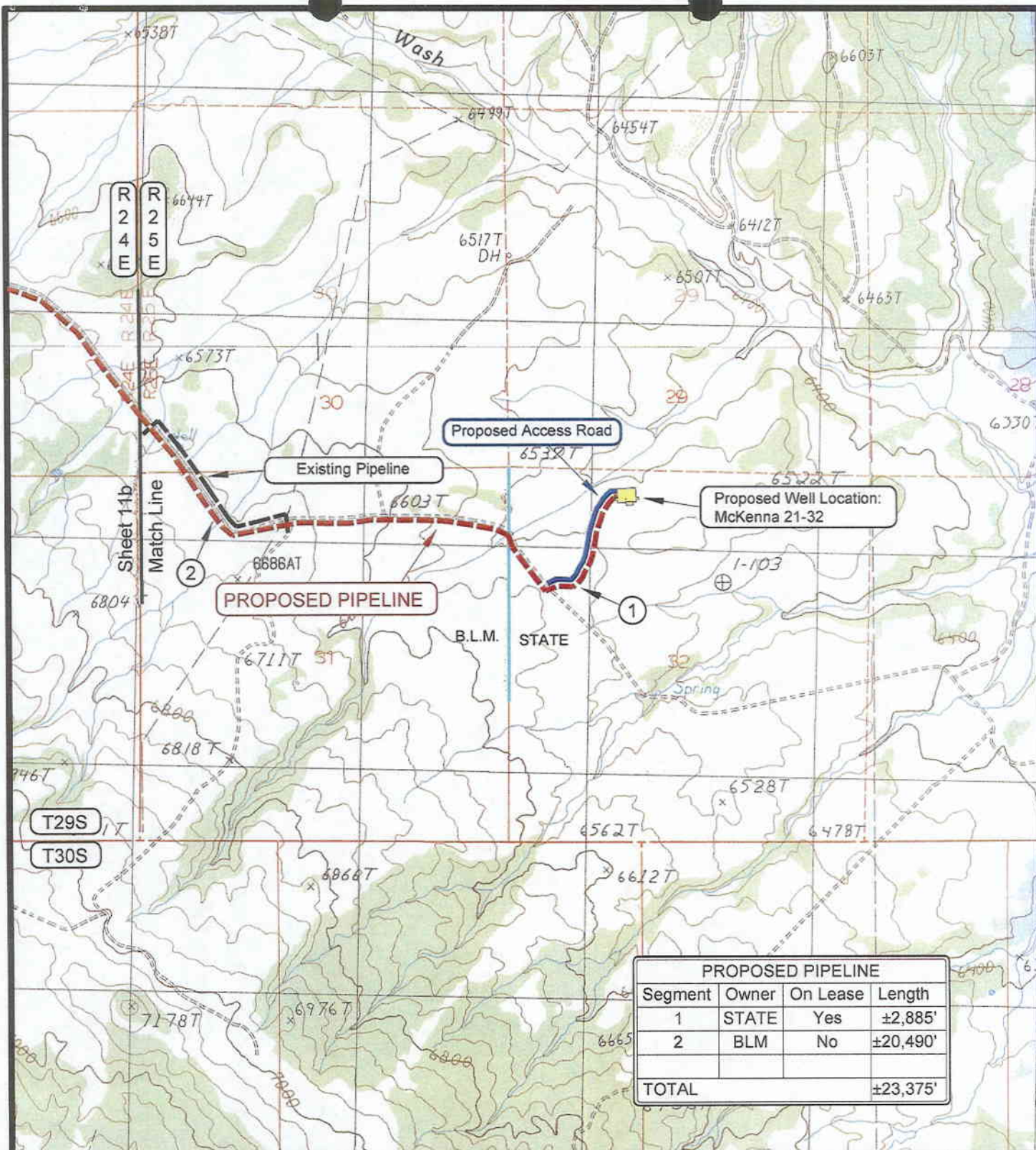
38 WEST 100 NORTH VERNAL, UTAH 84078

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SHEET

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OF 11



APPROXIMATE PIPELINE LENGTH = ± 23,375 FEET

LEGEND

- = PROPOSED PIPELINE
- = OTHER PIPELINE
- = PROPOSED ACCESS ROAD
- = SUBJECT WELL
- = OTHER WELLS
- = LEASE LINE AND / OR PROPERTY LINE

TOPOGRAPHIC MAP "D"

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

DATE SURVEYED: 08-11-07

DATE DRAWN: 08-13-07

REVISED:

CABOT OIL AND GAS

McKenna 21-32

SECTION 32, T29S, R25E, S.L.B.&M.

Surface: 456' FNL & 1686' FWL

Timberline

(435) 789-1365

Engineering & Land Surveying, Inc.

38 WEST 100 NORTH VERNAL, UTAH 84078

**SHEET
11a
OF 11**

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/15/2007

API NO. ASSIGNED: 43-037-31863

WELL NAME: MCKENNA 21-32

OPERATOR: CABOT OIL & GAS CORP (N6345)

PHONE NUMBER: 303-868-6612

CONTACT: GINGER STRINGHAM

PROPOSED LOCATION:

NENW 32 290S 250E

SURFACE: 0456 FNL 1686 FWL

BOTTOM: 0936 FNL 1206 FWL

COUNTY: SAN JUAN

LATITUDE: 38.24371 LONGITUDE: -109.1930

UTM SURF EASTINGS: 658137 NORTHINGS: 4234193

FIELD NAME: WILDCAT (1)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	8/21/07
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-48351

SURFACE OWNER: 3 - State

PROPOSED FORMATION: ISMY

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. RLB0008662)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 05-924)
☒ RDCC Review (Y/N)
(Date: 06/02/2007)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: MIDDLE MESA
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
☒ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (8-17-07)

STIPULATIONS:

1- Spacing Slip
2- STATEMENT OF BASIS

T29S R25E

MCKENNA
21-32

BHL
21-32

32

33

MIDDLE MESA UNIT

T30S R25E

MIDDLE MESA
FED 5-6-30-25

OPERATOR: CABOT O&G CORP (N6345)

SEC: 32 T.29S R. 25E

FIELD: WILDCAT (001)

COUNTY: SAN JUAN

SPACING: R649-3-11 / DIRECTIONAL DRILLING

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 20-AUGUST-2007

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator CABOT OIL & GAS CORP
Well Name MCKENNA 14-32
API Number 43-037-31863-0 **APD No** 434 **Field/Unit** WILDCAT
Location: 1/4,1/4 NENW **Sec** 32 **Tw** 29S **Rng** 25E 456 FNL 1686 FWL
GPS Coord (UTM) 659150 4234283 **Surface Owner**

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOGM), Ed Bonner-Trust Lands Administration (SITLA), Kyle Beagly-Division of Wildlife Resources (DWR), Ginger Stringham-Paradigm Consulting Inc, Kolby Kay-Timberline Engineering & Land Surveying Inc.

Regional/Local Setting & Topography

Project area is ~9.1 miles southeast of La Sal, San Juan County, Utah. On a regional setting the project site is located along the eastern edge of what is referred to as the Canyonlands region of the Colorado Plateau. Topography in this area is generally a series of sandy mesa's falling into steep canyons comprised of alternating layers of sandstone, shale and clays. Climate within the regions is typically arid, and associated vegetation sparse. Annual precipitation at the project site is a 12-14" zone, and vegetation would be described as pinyon/juniper and Wyoming sage rangelands. Topography immediately surrounding the project area is a series gradually sloping sandstone ridges, wide relatively flat valley floors and occasional agriculture fields. Pinyon/Juniper and Wyoming sage communities that have been chained and seeded with crested wheatgrass dominate the immediate area. Access to this well will be along existing San Juan county roads with approximately 5,180' of newly constructed access road. Drainage is to the north entering East Coyote Wash within 1,500' and the Dolores River ~15 miles away. Ground cover is moderate to low, soils are prone to erosion when vegetation is disturbed.

Surface Use Plan

Current Surface Use

Grazing

Wildlife Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
1	Width 255 Length 320	Onsite	DKTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Flora

Grass: Crested wheatgrass, blue grama grass, Sandburg's blue grass, bottle brush squirrel tail, cheatgrass.

Forbs: Sego lily, globe mallow, Thurber peppergrass, scarlet gilia and golden cryptanth.

Shrubs: Wyoming sage, broom snake weed,

Trees: Utah juniper, two needle pinyon.

Fauna: Mule deer, rocky mountain elk, black bear, mountain lion, bobcat, ground squirrels, sage grouse, Rio Grande turkey's. An assortment of raptors, small mammals, song birds and small retails may frequent the project site.

Soil Type and Characteristics

Orange sandy loam alluvium, some sand stone outcrops

Erosion Issues Y

Soils erosive when disturbed

Sedimentation Issues N**Site Stability Issues N****Drainage Diversion Required Y**

Divert drainage on southern portions of well pad

Berm Required? N**Erosion Sedimentation Control Required? N****Paleo Survey Run? N Paleo Potential Observed? N Cultural Survey Run? N Cultural Resources? Y****Reserve Pit****Site-Specific Factors****Site Ranking**

Distance to Groundwater (feet)	100 to 200	5
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	High permeability	20
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0
Final Score		35 1 Sensitivity Level

Characteristics / Requirements**Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? N****Other Observations / Comments**

At the time of on-site evaluation cultural resource inventory had not been completed. Assortment of "chips" noted in the vicinity while accessing project site.

Bart Kettle

6/8/2007

Evaluator

Date / Time

Application for Permit to Drill

Statement of Basis

8/20/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
434	43-037-31863-00-00		GW	S	No
Operator	CABOT OIL & GAS CORP		Surface Owner-APD		
Well Name	MCKENNA 14-32		Unit		
Field	WILDCAT		Type of Work		
Location	NENW 32 29S 25E S 456 FNL 1686 FWL GPS Coord (UTM) 658137E 4234193N				

Geologic Statement of Basis

This location is situated on moderately permeable soil formed on the Cretaceous age Burro Canyon Formation. No underground water rights have been filed within a mile of this location. Surface pipe will be set into the upper Chinle Formation. Significant quantities of high quality groundwater may be encountered in Cretaceous and Jurassic sandstones above the surface casing setting depth. The subject well proposes to use a LSND/KCl mud system below surface casing. The subject location is near the Lisbon Valley fault system so the area may present fracture permeability and lost circulation. The proposed surface casing and cementing program should adequately isolate any zones of fresh water that may be penetrated.

Chris Kierst
APD Evaluator

6/20/2007
Date / Time

Surface Statement of Basis

On-site evaluation completed June 8, 2007. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Ed Bonner-Trust Lands Administration (SITLA), Kyle Beagly-Division of Wildlife Resources (DWR), Ginger Stringham-Paradigm Consulting Inc, Kolby Kay-Timberline Engineering & Land Surveying Inc.

Trustlands Administration (SITLA) did not express concerns or provide recommendations for stipulations. Division of Wildlife Resources (DWR) commented that project lies within designated sage grouse habitat but did not provide recommendations for mitigation. Division of Oil, Gas and Mining (DOGM) recommends drainage diversions contain rig rap and brush piles to dissipate energy of flows and control erosion. Soils at the project site are moderately erosive when disturbed, vegetative cover is not sufficient to filter runoff and prevent erosion. County roads proposed as access routes are not sufficient in design or maintenance to handle traffic typically associated with the drilling program proposed. DOGM recommends Cabot Oil and Gas Corporation coordinated with the San Juan County Roads Department to widen cattle guards sufficient to handle rig traffic. Running surface of county roads and SITLA access roads should be improved by application of water or gravel sufficient to handle rig traffic.

AMENDMENT

Due to cultural resource concerns the proposed drill site moved to the southwest a considerable distance from the original submitted Application for Permit to Drill, and therefore additional on-site evaluation was required. Proposed project area was re-visited on August 17, 2007 by Bart Kettle-Division of Oil, Gas and Mining. Soils and vegetation at updated site are similar to original site, and wildlife concerns are unchanged. Updated site will still require upgrading of cattle guards and portions of San Juan County road in order to accommodate rig traffic. As staked proposed project area still contains two drainage diversion which will require rip-rap at the outlet of diversion to prevent accelerated soil erosion due to concentrated flows.

Bart Kettle
Onsite Evaluator

6/8/2007
Date / Time

Application for Permit to Drill

Statement of Basis

8/20/2007

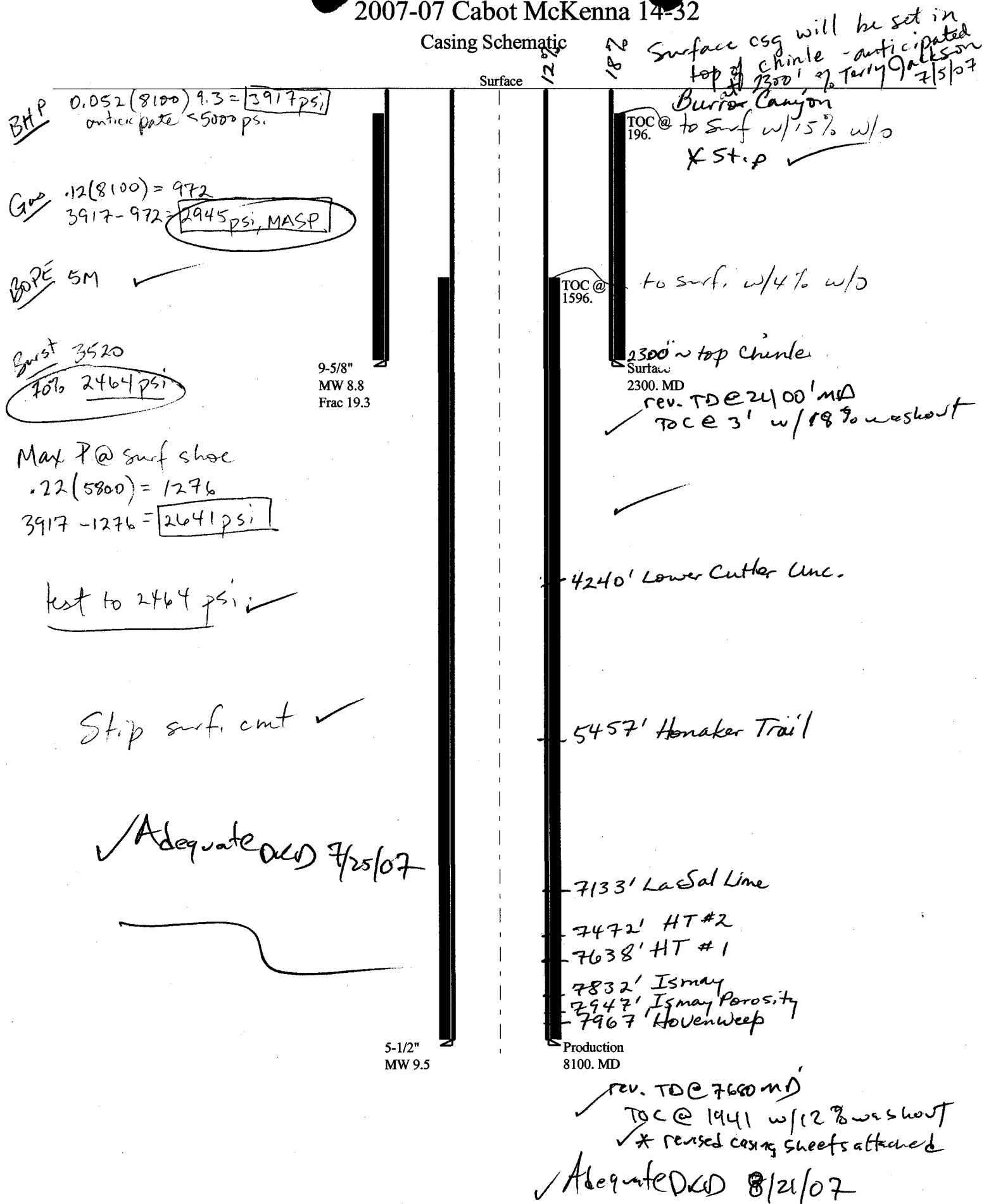
Utah Division of Oil, Gas and Mining

Page 2

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location. Rip rap and brush piles shall be used to dissipate the energy of overland water flows within diversions.

Casing Schematic



Well name:

2007-07 Cabot McKenna 14-32rev.

Operator:

Cabot Oil & Gas Corporation

String type:

Surface

Project ID:

43-037-31863

Location:

San Juan County

Design parameters:**Collapse**

Mud weight: 8.800 ppg

Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 99 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 299 ft

Cement top: 3 ft

Burst

Max anticipated surface pressure: 2,112 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 2,400 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 2,087 ft

Non-directional string.**Re subsequent strings:**

Next setting depth: 8,100 ft

Next mud weight: 9.500 ppg

Next setting BHP: 3,997 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 2,400 ft

Injection pressure: 2,400 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2400	9.625	36.00	J-55	ST&C	2400	2400	8.796	1041.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1097	2020	1.841	2400	3520	1.47	86	394	4.56 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: August 21, 2007
Salt Lake City, Utah**ENGINEERING STIPULATIONS -**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	2007-07 Cabot McKenna 14-32rev.		
Operator:	Cabot Oil & Gas Corporation		
String type:	Production	Project ID:	43-037-31863
Location:	San Juan County		

Design parameters:
Collapse

Mud weight: 9.500 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 173 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 1,941 ft

Burst

Max anticipated surface pressure: 2,101 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,790 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.
Neutral point: 6,574 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	7680	5.5	17.00	HCP-110	LT&C	7680	7680	4.767	1002.4

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3790	8580	2.264 ✓	3790	10640	2.81 ✓	131	445	3.41 J ✓

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: August 21, 2007
Salt Lake City, Utah

ENGINEERING STIPULATIONS -

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.



Cabot Oil & Gas Corporation

August 14, 2007

Utah Trust Lands
675 East 500 South
Suite 500
Salt Lake City, Utah 84102
Attn: LaVonne Garrison

State of Utah
Division of Oil, Gas and Mining
1594 West North Temple
Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801
Attn: Brad Hill

Re: Utah Oil & Gas Lease ML-48351
Utah Metalliferous Lease ML-49583
Cabot's Proposed McKenna #21-32
Township 29 South, Range 25 East
Section 32: NE/4NW/4
San Juan County, Utah
Letter Agreement for Cooperative Development

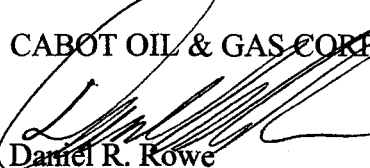
Dear Ms. Garrison and Mr. Hill:

Enclosed please find a copy of the August 14, 2007 Letter Agreement for Cooperative Development between Cabot Oil & Gas Corporation and BZU Holdings, Inc.

This letter is self explanatory and is provided in order for the state to be aware of this Agreement. If you have any questions or comments, please do not hesitate to call me at 303-226-9418.

Very truly yours,

CABOT OIL & GAS CORPORATION


Daniel R. Rowe
Landman

DRR/kbf

enclosure

cc: BZU Holdings, Inc.
290 Gentry Way, Suite 290
Reno, Nevada 89502
Attn: Mr. Foster Wilson

RECEIVED

AUG 17 2007

DIV. OF OIL, GAS & MINING



Cabot Oil & Gas Corporation

August 14, 2007

Mr. Foster Wilson
BZU Holdings, Inc.
290 Gentry Way, Suite 290
Reno, Nevada 89502

***Re: Letter Agreement for Cooperative Development in
Section 32, Township 29 South, Range 25 East, SLM***

Dear Mr. Wilson:

Cabot Oil and Gas Corporation ("Cabot") owns State of Utah School and Institutional Trust Lands Administration ("TLA") Oil, Gas and Hydrocarbon Lease No. ML-48351 issued in 2001, covering the above-referenced lands (the "Lands"), among other lands. BZU Holdings, Inc. ("BZU") owns TLA Metalliferous Minerals Lease ML-49583, issued in 2004, which also covers the Lands. In order to avoid future potential exploration, development and production conflicts between Cabot's interests in hydrocarbons and BZU's interests in metals, each has agreed to enter into this Letter Agreement, and such future agreements as the parties may deem necessary for the effective and economic recovery of the mineral resources, subject to the respective rights of Cabot and BZU under their respective TLA leases. Cabot and BZU are sometimes herein referred to individually as a "Party" and collectively as "Parties."

I. CURRENTLY PLANNED OPERATIONS

A. Cabot's Currently Planned Operations.

At present, Cabot plans to drill the McKenna #21-32 Well at a surface location of 456 feet FNL, 1686 feet FWL, and a bottomhole location of 936 feet FNL, 1206 feet FWL, in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of subject Section 32, as more fully described in its Application for Permit to Drill ("APD"), on file with the Utah Division of Oil, Gas and Mining ("DOGM"). As indicated on the plats attached to the APD, access to and from the drill site will be had via San Juan County Road No. 191 and the Cabot-constructed access road. If the McKenna #21-32 Well produces hydrocarbons, the pipeline to the well will parallel the access road and County Road No. 191. Based on its drilling results and other factors, Cabot may file additional APDs for additional well locations on the Lands.

B. BZU's Presently Planned Operations on the Lands.

BZU is not presently exploring for or extracting metals from the Lands, but is planning exploratory drilling on the Lands to test for uranium mineralization in the Cutler Formation.

II. USE RIGHTS GRANTED UNDER THE TLA LEASES

A. Cabot's Rights Granted Under ML-48351.

Section 1 of TLA lease ML-48351, grants Cabot, among other rights:

the exclusive rights of prospecting for, of mining for, of excavating, quarrying, or stripmining for and/or drilling for oil, natural gas, . . . and associated substances of whatever kind or nature . . . and producing, taking, and removing such substances from the . . . [L]ands], . . . [Cabot] to have the rights to construct and maintain on said lands all works, buildings, plants, waterways, roads, communication lines, pipelines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, subject, however, to the conditions hereinafter set forth.

Under Section 5(a) of ML-48351, TLA reserved the rights to permit for "joint and several use in a manner which will not unreasonably interfere with the Lessee's operations [t]hereunder," easements and rights-of-way for working other lands owned by TLA and working the Lands by other lessees and for other public purposes. Section 5(b) reserves to TLA, the right to "use, lease, sell, or otherwise dispose of the surface" of the Lands, "subject to the rights herein granted, . . . and also the right to lease mineral deposits, other than the hereby leased substances"

B. BZU's Rights Granted Under ML-49583.

Among the rights granted BZU under ML-49583, are rights to the surface estate specified by Article IV thereof:

If the surface estate of all or some portion of the hereinabove-described lands is owned by the Lessor, [BZU] shall be entitled to use reasonably and prudently such portions of the surface estate owned by Lessor as shall be reasonably necessary to explore and prospect for, mine drill, remove, and dispose of the leased mineral substances, including permission to establish and maintain in a safe condition on the surface

estate owned by Lessor, access roads, communication lines, tanks, pipelines, reservoirs, mills, processing plants, reduction works, dumps and other essential structures, facilities, machinery, and equipment, reasonably necessary and expedient for the economic operation of the leasehold and in furtherance of production, treatment, and disposition of the leased substances under this lease. Such surface uses shall be exercised subject to the rights reserved to the State of Utah as provided in Article V hereof, and without unreasonable interference with the rights of any prior or subsequent lessee of the State of Utah under the program of multiple use.

In Article V, clause First, of ML-49583, TLA reserved rights to establish easements and rights of way for joint and several uses, and for "the working of other desposits within said lands under leases granted to others" Clause Second of Article V reserves to TLA, the "right to issue mineral leases to other lessees covering minerals not included in this lease, under such terms and conditions which will not unreasonably interfere with operations under this lease in accordance with the principle of multiple use provided by law."

III. AGREEMENT TO COOPERATE

In consideration of the premises, the value gained by Cabot and BZU by agreeing to cooperate in developing their mineral interests in the Lands, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree:

A. In conducting their respective operations on the Lands, Cabot and BZU shall give due regard to the legal rights of the other Party and shall proceed in a manner so far as reasonably possible, designed to cause the least harm, damage and interference with the rights of the other Party under their respective TLA leases so as to enable both Cabot and BZU to maximize the return from their respective leases and act to avoid damage to the other's mineral interests in the Lands.

B. Cabot and BZU have conferred regarding the location and construction of the McKenna #21-32 Well and its related facilities and roads. BZU has no objection to the drilling and production of the McKenna #21-32 Well as described herein, and as may from time to time be altered by Cabot.

C. BZU has requested that it be allowed access to Cabot's gamma ray log of the McKenna #21-32 Well for use in BZU's evaluation of the Lands. Cabot agrees to provide BZU one copy of its gamma ray log from the surface to the base of the Cutler

formation for the McKenna #21-32 Well, subject to the confidentiality provisions stated below.

D. BZU agrees that if its use of Cabot's access road for the McKenna #21-32 Well is more than occasional, that it will jointly maintain that access road and share the maintenance expense in proportion to its use. Any improvement to the McKenna #21-32 access road required by virtue of BZU's use, will be borne by BZU, and shall not impede or interfere with Cabot's access to the wellsite. Cabot has no duty to maintain the McKenna #21-32 Well access road for BZU's use.

E. So that Cabot and BZU may to continue to cooperate in developing their respective mineral interests in the Lands, both agree that prior to submitting any notice, plan of operation, exploration or mining plan, APD, sundry notice or similar application to DOGM and/or TLA, it will contact the other Party, providing a copy of any such application, so that the other Party can determine whether the planned development may conflict with the its development rights. The non-developing Party shall have fifteen (15) days from the date of receiving copies of a proposed development in which to notify the developing Party of a mineral development conflict or to communicate its non-objection to the developing Party. If the non-developing Party fails to give notice of a conflict within said fifteen (15) day period, it shall be deemed and considered to have waived its right to object to such development. In the event one Party notifies the other of such a conflict, the Parties will in good faith, as necessary, attempt to develop additional agreement(s) to further define their cooperation in regard to any particular development(s) that conflicts with a Party's mineral rights in the Lands. In the event Cabot and BZU are unable to voluntarily resolve any mineral development conflict regarding the Lands, each shall have resort to the TLA, the Utah Board of Oil, Gas and Mining, and, if and as applicable, to court.

F. This Letter Agreement is not intended to, nor shall it be interpreted to, create a joint venture, partnership, mining partnership or any other relationship between the Parties.

G. Any and all information including without limitation, development plans, applications, drilling logs and surveys, exchanged by Cabot and BZU shall remain and be kept confidential and may not be disclosed to a third party without the non-disclosing Party's prior written consent. Cabot and BZU agree that each shall only use such data in connection with their own respective geologic exploration and delineation of mineral deposits within the lands.

Mr. Foster Wilson
BZU Holdings, Inc.
August 14, 2007
Page 5 of 5

H. This Letter Agreement shall be binding upon the Parties and their respective successors and assigns.

I. This Letter Agreement may be executed in counterparts and shall be deemed effective by facsimile receipt of the signatures of the Parties.

J. This Letter Agreement shall be deemed effective as of July 16, 2007, and shall remain in effect for such period of time as both of the Parties' respective TLA leases remain in effect as to the Lands.

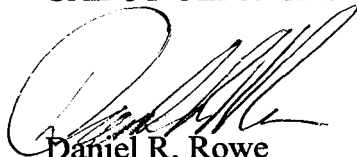
K. Either Party may, at its own cost and expense, record a copy of this Letter Agreement of a notice thereof in the records of San Juan County, Utah.

L. Each Party represents and warrants that the individual executing this Letter Agreement on its behalf is authorized to do so and has the authority to bind the Party to the obligations, agreements and covenants set forth herein.

If BZU is in agreement with the foregoing, please so indicate by returning an executed original of this Letter Agreement.

Very truly yours,

CABOT OIL & GAS CORPORATION



Daniel R. Rowe
Landman

Accepted and agreed to by BZU Holdings, Inc., this _____ day of _____, 2007.

By: _____

Its: _____

Mr. Foster Wilson
BZU Holdings, Inc.
August 14, 2007
Page 5 of 5

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If BZU is in agreement with the foregoing, please so indicate by returning an executed original of this Letter Agreement.

Very truly yours,

CABOT OIL & GAS CORPORATION


Daniel R. Rowe
Landman

Accepted and agreed to by BZU Holdings, Inc., this 13 day of August, 2007.

By: 
FOSTER WILSON

Its: president/CEO

From: "Sally Sullivan" <sally.geoscout@sisna.com>
To: "Diana Mason" <dianawhitney@utah.gov>
Date: 8/20/2007 1:31 PM
Subject: ML-48351

Dear Ms. Mason.

Dan Rowe of Cabot Oil has asked that I provide evidence to you that ML-48351, located in Section 32 of T29S-R25E-SLM, is not committed to the Middle Mesa Unit.

I have attached copies of the following showing this:

- 1) Serial register page for lease from SITLA showing this lease is not committed.
- 2) Exhibit B from the Middle Mesa Unit file from the BLM. The adjudicators indicate on the page (EC = effectively committed; FC = fully committed and NC = not committed.) Said lease is tract No. 21 and has an NC next to it.
- 3) Letter from the BLM, dated 11/17/05 to Encana Oil & Gas indicating that tract 21 along with some other tracts is uncommitted to the Middle Mesa Unit.

If you require further information showing this lease is not committed to the Middle Mesa Unit, let me know and I can provide it.

If you have any questions, please let me know. You can reach me at the numbers below. Thank you for your attention to this matter.

Sally Sullivan

GeoScout Land & Title Company

48 West Market Street; Suite 200

Salt Lake City, Utah 84101

(801)364-7773

direct (801)433-5364

fax (801)364-7775

CONFIDENTIAL: This email contains confidential information. If you have received it in error, please delete it from your system. Thank you.

**School and Institutional Trust Lands Administration
Contract Serial Register Page For ML 48351.0**

8/20/2007

Type of Lease: OIL GAS & HYDROCARBON	Application Number: ML	48351.
Description:		

Applicant: CABOT OIL & GAS CORPORATION

Date Accepted:	Status: Active contract
Date Approved: 09/12/2001	Term 10 years
Date Cancelled: 00/00/0000	Start Date: 10/01/2001 End Date: 09/30/2011

Participant List

Interest Type 1

RECORD TITLE

INITIAL RECORD TITLE

COMPANY CID: 26038	CABOT OIL & GAS CORPORATION	Lessee	Interest:	100.00
	ATTN: DANIEL R ROWE 600 17TH STREET, SUITE 900N, DENVER, CO USA 80202			
2				

Total Interest for interest type 1 100.00

Interest Type 11

OPERATING RIGHTS: T29S, R25E, SLB&M., SEC 32: NW4, S2 480 AC

COMPANY CID: 26038	CABOT OIL & GAS CORPORATION	Lessee	Interest:	50.00
	ATTN: DANIEL R ROWE 600 17TH STREET, SUITE 900N, DENVER, CO USA 80202			
0				

COMPANY CID: 25723	BURLINGTON RESOURCES OIL & GAS	Lessee	Interest:	50.00
	PO BOX 4289, FARMINGTON, NM USA 87499			
0				

Total Interest for Interest type 11 100.00

Interest Type 21

OPERATING RIGHTS: T29S, R25E, SLB&M., SEC 32: NE4; SEC 36: ALL 800 AC

COMPANY CID: 25723	BURLINGTON RESOURCES OIL & GAS	Lessee	Interest:	50.00
	PO BOX 4289, FARMINGTON, NM USA 87499			
0				

COMPANY CID: 26038	CABOT OIL & GAS CORPORATION	Lessee	Interest:	37.50
	ATTN: DANIEL R ROWE 600 17TH STREET, SUITE 900N, DENVER, CO USA 80202			
0				

COMPANY CID: 28465	HAT CREEK ENERGY LLC	Lessee	Interest:	12.50
	3875 CHERRY CREEK DRIVE NORTH, DENVER, CO USA 802093601			
0				

Total Interest for interest type 21 100.00

Description of Land:

TRS	County	Sec	Description	Bene	Type	Layer	Acres
T29S R25E SL							
	San Juan	32	ALL	SCH	Use	O&G	640.00
	San Juan	36	ALL	SCH	Use	O&G	640.00
Total Acres:							1,280.00

**School and Institutional Trust Lands Administration
Contract Serial Register Page For ML 48351.0**

8/20/2007

Billing Parameters:

Billing Type	Billing Frequency	Payment Due Date	Amt Per Unit	Nbr Of Units	Amount Billed	Billing Notice Flag	Manual Comp Flag
Prepare billing	Annually	10/01/2007	1.00	1,280	1,280.00	No billing printed	No

Beneficiary Interest:

Revenue Type	Basis of Computation	Beneficiary	Percent	Acres
0	Acres	School	100.00	1,280.00
Total:			100.00	1280.00

Comments:

Date	
11/28/2001	Assn to Burlington Resources Oil & Gas Company LP by Gary Butler; no orr
02/06/2002	Assn to Cabot Oil & Gas Corporation by Burlington Resources Oil & Gas Company LP; no orr 50% int in operating rights to Cabot Oil & Gas Company by Burlington Resources Oil & Gas Company LP; no orr
01/06/2006	Middle Mesa Unit approved by BLM 11/17/05 - lease is not committed to unit Primary term remains
05/04/2007	12.50% int in operating rights in part of lands: NE4 Sec 32; All Sec 36, T29S, R25E, SLB&M., 800.00 acres to Hat Creek Energy LLC by Cabot Oil & Gas Corporation; 7.5% of 25% orr, prev orrs as res



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



11-17-05
m2c 11-17-05

IN REPLY REFER TO
3180
UT-922

November 17, 2005

EnCana Oil & Gas (USA) Inc.
c/o UnitSource Incorporated
11184 Huron Street, Suite 16
Denver, Colorado 80234

Gentlemen:

The Middle Mesa Unit Agreement, San Juan County, Utah was approved on November 17, 2005. This agreement has been designated No. UTU82680X and is effective November 17, 2005. A copy of the agreement is enclosed.

This unit provides for the drilling of one obligation well and subsequent drilling obligations pursuant to Section 9 of the unit agreement. The initial well is to be drilled to a depth of 7,500 feet or a depth sufficient to test 50 feet into the Paradox Salt and located in the NE¼ of Section 36, Township 29 South, Range 24 East, SLM&B, San Juan County, Utah. No extension of time beyond May 17, 2006, will be granted to commence the "obligation well" other than "unavoidable delay" (Section 25), where justified.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.

The basic information is as follows:

1. The depth of the test well and the area to be unitized were approved under the unit plan regulations of December 22, 1950, by Bureau of Land Management letter dated June 13, 2005.
2. All formations are unitized.
3. The unit area embraces 9,794.25 acres, more or less, of which 8,075.14 acres (82.45 percent) are Federal lands and 1,719.11 acres (17.55 percent) are State lands.

The following leases embrace lands included within the unit area:

UTU014905*	UTU73190**	UTU77076*	UTU77539*
UTU089097*	UTU76053*	UTU77077*	UTU78735*
UTU16575*	UTU76327	UTU77078**	UTU80058
UTU16576*	UTU76335	UTU77372	UTU84063**
UTU16577	UTU76776	UTU77538*	

* Indicates lease to be considered for segregation by the Bureau of Land Management pursuant to Section 18 (g) of the unit agreement and Public Law 86-705.

** Indicates non-committed lease.

All lands and interests are fully/effectively committed except Tracts 6, 13, 19B and 21 totaling 1,120.16 acres (11.44 percent), which is not committed. Also, certain overriding royalty interest owners have not signed the unit agreement.

Unleased Federal land, Tract 19A, totaling 120.00 acres (1.23 percent), is not committed, but is considered to be effectively controlled acreage because, prior to issuance of leases for the acreage, the lessee(s) may be required to commit to the unit agreement.

In view of the foregoing commitment status, effective control of operations within the unit area is assured. We are of the opinion that the agreement is necessary and advisable in the public interest and for the purpose of more properly conserving natural resources. Certification-Determination, signed by the School and Institutional Trust Land Administration for the State of Utah, is attached to the enclosed agreement.

Sincerely,

/s/ David H. Murphy

David H. Murphy
Acting Chief, Branch of Fluid Minerals

Enclosure

bcc: Dockets w/enclosure
Division of Oil, Gas and Mining
Trust Lands Administration
Field Manager -Moab w/enclosure
MMS - Data Management Division (Attn: James Sykes)
File - Middle Mesa Unit w/enclosure
Agr. Sec. Chron
Reading Chron
Central Files

UT922:TAThompson:tt:11/17/05

EXHIBIT "B"
SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS
MIDDLE MESA UNIT AREA
SAN JUAN COUNTY, UTAH

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER & EXPIRATION DATE OF LEASE	BASIC ROYALTY AND PERCENTAGE	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE
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FEDERAL LANDS:

EC 1.	T29S-R24E, S.L.M. Sec. 27: NE/4, E/2NW/4, NW/4NW/4, N/2SE/4, SE/4SE/4	432.55 400.00	U-014905 Effective 5-1-1955 HBP	U.S.A. - All (12.5% royalty)	✓✓ EnCana Oil & Gas (USA) Inc.	100.00%	As to all lands and all depths: H.A. Jacobs Estate 5.00% Mary A. Woolley 1.50% 1 ✓ Paul Slayton 0.50% Roland Rich Woolley Trust 0.50% TOTAL 7.50% Production Payment equal to \$15,000,000.00: Paid at 5%: 1 ✓ Paul Slayton 5.00% Production Payment equal to \$30,000.00: Paid at 1.5%: El Paso National Bank 0.750% Co-independent Executor Sam D. Young and Martin N. Lettunich dba Tornillo Farms H.A. Jacobs Estate 0.375% Clifton Whyburn 0.375% TOTAL 1.50% From the Surface to the Base of the Paradox Salt Formation: 2 ✓ Union Oil Company of 5.00% California Exxon Mobil Oil Corporation 0.50% TOTAL 5.50% From said depth and below: Exxon Mobil Oil Corporation 0.375%	✓✓ EnCana Oil & Gas (USA) Inc.	100.00%
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LEGEND
✓ **CONFIRMED BY BLM RECORDS**
✓ **EXECUTED UNIT AGR.**
✓ **EXECUTED UNIT OPR. AGR.**
ELIGIBLE FOR SEGREGATION

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER & EXPIRATION DATE OF LEASE	BASIC ROYALTY AND PERCENTAGE	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	
2.	T30S-R25E, S.L.M. Sec. 11: E/2	1760 320.00	84216 U-089097 Effective 2-1-1952 HBP	U.S.A. - All (12.5% royalty)	EnCana Oil & Gas (USA) Inc.	100.00% Roland Rich Woolley Estate Ernest L. Hodges Ned Nickson Joseph Richard Nickson Virginia Nickson Beers Alice S. Woolley TOTAL Production Payment equal to \$15,000,000.00: Paul Slayton	1.5000% 1.3330% 0.5557% 0.5557% 0.5556% 0.5000% 5.00% 5.00% EnCana Oil & Gas (USA) Inc.	100.00%
3.	T29S-R25E, S.L.M. Sec. 31: Lots 1, 2, 3, E/2W/2	320.43 280.40	84217 U-10575 Effective 10-1-1971 HBP	U.S.A. - All (12.5% royalty)	Meagher Oil & Gas Properties, Inc.	100.00% Meagher Oil & Gas Properties, Inc.	7.50% EnCana Oil & Gas (USA) Inc. Pioneer Oil and Gas Harry H. Cullen TOTAL Surface to 6,180' EnCana Oil & Gas (USA) 18.75% 18.75% 100.00%	62.50%
4.	T30S-R25E, S.L.M. Sec. 3: Lots 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 Sec. 4: Lots 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26 Sec. 5: Lots 1, 2, 3, 6, 7, 8, 9, 10, 11, 13, 14, 15, 18, 19, 20 Sec. 6: Lots 17, 18	2119.28 2,019.18	84218 U-10576 Effective 10-1-1971 HBP	U.S.A. - All (12.5% royalty)	Meagher Oil & Gas Properties, Inc.	100.00% Meagher Oil & Gas Properties, Inc. Kenneth T. Smith Trust The Davis Family Revocable Trust Orley Prather Gwendolyn S. Sides TOTAL	3.50% From the surface of the earth (Sec 4, 5, to 6,180': 1.75% EnCana Oil & Gas (USA) 1.75% Inc. Harry H. Cullen Pioneer Oil and Gas TOTAL From said depth and below: EnCana Oil & Gas (USA) Inc. Sec 3: Surface to 6,180' EnCana 37.5% Harry Cullen 37.5% Pioneer 25% 11/15/2005 Below 6,180' EnCana 100%	43.75 62.50% 37.5 18.75% 18. 100.00% 100.00%

MIDDLE MESA UNIT AREA

2

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER & EXPIRATION DATE OF LEASE	BASIC ROYALTY AND PERCENTAGE	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE
5.	<u>T30S-R25E, S.L.M.</u> Sec. 5: Lots 21, 22, 23, 24, 25, 26, 27, 28 Sec. 6: Lot 4	1358.56 339.48	U-16577 Effective 10-1-1971 HBP	U.S.A. - All (12.5% royalty)	✓ Meagher Oil & Gas Properties, Inc. 100.00%	✓ Meagher Oil & Gas Properties, Inc. Marvin L. McGahey R.K. Cramer R.K. O'Connell & Vula O'Connell TOTAL 3.50% 1.50% 1.50% 1.00% 7.50% TOTAL	From the surface of the earth to 6,180': EnCana Oil & Gas (USA) Inc. Harry H. Cullen Pioneer Oil and Gas TOTAL 18.75% 100.00% From said depth and below: EnCana Oil & Gas (USA) Inc. 100.00%
6.	<u>T30S-R25E, S.L.M.</u> Sec. 3: N/2SW/4, SE/4 Sec. 4: Lot 24 Sec. 10: NE/4NE/4 Sec. 11: NW/4, NE/4SW/4	1878.03 520.00	U-73190 Effective 10-1-1994 Expires *10-31-2004 *Lease due extension by segregation (Bull Horn Unit Agreement.)	U.S.A. - All (12.5% royalty)	✓ Cabot Oil & Gas Corporation 100.00%	None	✓ Cabot Oil & Gas Corporation 100.00%
7.	<u>T29S-R24E, S.L.M.</u> Sec. 25: Lots 3, 4, SW/4, W/2SE/4 Sec. 26: SE/4	640.59 480.59	U-76053 Effective 1-1-1997 Expires 12-31-2006	U.S.A. - All (12.5% royalty)	✓ EnCana Oil & Gas (USA) Inc. 100.00%	✓ The Davis Family Revocable Trust ✓ Kenneth T. Smith Trust ✓ Sinclair Oil Corporation TOTAL 2.25% 2.25% 1.00% 5.50%	✓ EnCana Oil & Gas (USA) Inc. 100.00%

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER & EXPIRATION DATE OF LEASE	BASIC ROYALTY AND PERCENTAGE	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE
8.	<u>T29S-R24E, S.L.M.</u> Sec. 25: Lots 1, 2, W/2NE/4	✓160.28	U-76327 Effective ✓5-1-1997 Expires 4-30-2007	U.S.A. - All (12.5% royalty)	✓EnCana Oil & Gas (USA) Inc.	100.00% ✓Kenneth T. Smith Trust ✓The Davis Family Revocable Trust ✓Sinclair Oil Corporation TOTAL	2.25% 2.25% 1.00% 5.50% EnCana Oil & Gas (USA) Inc. 100.00%
9.	<u>T29S-R25E, S.L.M.</u> Sec. 31: SE/4	✓160.00	U-76335 Effective ✓6-1-1997 Expires 5-31-2007	U.S.A. - All (12.5% royalty)	✓EnCana Oil & Gas (USA) Inc.	100.00% ✓Kenneth T. Smith Trust ✓The Davis Family Revocable Trust ✓Sinclair Oil Corporation TOTAL	2.25% 2.25% 1.00% 5.50% EnCana Oil & Gas (USA) Inc. 100.00%
10.	<u>T30S-R25E, S.L.M.</u> Sec. 4: Lots 7, 8	✓60.00	U-76776 Effective ✓10-1-1997 Expires 9-30-2007	U.S.A. - All (12.5% royalty)	✓EnCana Oil & Gas (USA) Inc.	100.00% None	EnCana Oil & Gas (USA) Inc. 100.00%
11.	<u>T29S-R24E, S.L.M.</u> Sec. 21: NE/4SW/4, SE/4 Sec. 22: SW/4	1971.39 360.00	U-77076 Effective ✓4-1-1998 Expires 3-31-2008	U.S.A. - All (12.5% royalty)	✓EnCana Oil & Gas (USA) Inc.	100.00% ✓Medallion Exploration	6.50% EnCana Oil & Gas (USA) Inc. 100.00%

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER & EXPIRATION DATE OF LEASE	BASIC ROYALTY AND PERCENTAGE	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE	
12.	<u>T29S-R24E, S.L.M.</u> Sec. 26: SW/4 Sec. 35: N/2NW/4, SE/4NW/4, NE/4, N/2SE/4, SE/4SE/4	800 560.00	U-77077 Effective 4-1-1998 Expires 3-31-2008	U.S.A. - All (12.5% royalty)	✓ EnCana Oil & Gas (USA) Inc.	100.00% ✓ The Kenneth Taylor Smith Trust ✓ The Davis Family Revocable Trust ✓ Sinclair Oil Corporation TOTAL	2.25% 2.25% 1.00% 5.50% EnCana Oil & Gas (USA) Inc.	100.00%
13.	<u>T29½S-R24E, S.L.M.</u> Sec. 25: Lots 1, 2	1539.52 40.16	U-77078 Effective 4-1-1998 Expires 3-31-2008	U.S.A. - All (12.5% royalty)	✓ Gulf Exploration LLC	100.00% Gulf Production Corp.	5.00% EnCana Oil & Gas (USA) Inc. ✓ Gulf Exploration LLC ✓ Crow Creek Energy LLC TOTAL	70.00% 20.00% 10.00% 100.00%
14.	<u>T29S-R25E, S.L.M.</u> Sec. 31: NE/4NE/4	✓ 40.00	U-77372 Effective 9-1-1998 Expires 8-31-2008	U.S.A. - All (12.5% royalty)	✓ EnCana Oil & Gas (USA) Inc.	100.00% ✓ The Kenneth Taylor Smith Trust ✓ The Davis Family Revocable Trust ✓ Sinclair Oil Corporation TOTAL	2.25% 2.25% 1.00% 5.50% EnCana Oil & Gas (USA) Inc.	100.00%
15.	<u>T29S-R24E, S.L.M.</u> Sec. 23: S/2 Sec. 24: S/2 Sec. 25: NW/4 Sec. 26: N/2	1440 1,120.00	U-77538 Effective 10-1-1998 Expires 9-30-2008	U.S.A. - All (12.5% royalty)	✓ EnCana Oil & Gas (USA) Inc.	100.00% ✓ The Kenneth Taylor Smith Trust ✓ The Davis Family Revocable Trust ✓ Sinclair Oil Corporation TOTAL	2.25% 2.25% 1.00% 5.50% EnCana Oil & Gas (USA) Inc.	100.00%

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER & EXPIRATION DATE OF LEASE	BASIC ROYALTY AND PERCENTAGE	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE
16.	T29S-R25E, S.L.M. Sec. 30: Lots 1, 2, 3, 4, E/2W/2, SE/4 Sec. 31: W/2NE/4, SE/4NE/4	76.32 601.32	U-77539 Effective 10-1-1998 Expires 9-30-2008	U.S.A. - All (12.5% royalty)	EnCana Oil & Gas (USA) Inc.	100.00% The Kenneth Taylor Smith Trust The Davis Family Revocable Trust Sinclair Oil Corporation TOTAL	2.25% 2.25% 1.00% 5.50% EnCana Oil & Gas (USA) Inc.
17.	T30S-R25E, S.L.M. Sec. 3: Lots 3, 4, 5, 6, 9, 10, 11, 12 Sec. 4: Lots 1, 2, 3, 4	471.68 353.73	U-78735 Effective 1-1-2000 Expires 12-31-2009	U.S.A. - All (12.5% royalty)	EnCana Oil & Gas (USA) Inc.	100.00%	None EnCana Oil & Gas (USA) Inc.
18.	T29S-R24E, S.L.M. Sec. 22: NW/4SE/4	40.00	U-80058 Effective 5-1-2002 Expires 4-30-2012	U.S.A. - All (12.5% royalty)	EnCana Oil & Gas (USA) Inc.	100.00%	None EnCana Oil & Gas (USA) Inc.
19A	T29S-R24E, S.L.M. Sec. 22: E/2SE/4, SW/4SE/4	120 200.00	Unleased	U.S.A. - All (12.5% royalty)	Unleased	100.00%	None Unleased
19B	T30S-R25E, S.L.M. Sec. 5: Lots 16, 17	80	U-84063 exp. 11-1-05 exp. 10-31-2015	U.S.A. - All (12.5% royalty)	Meramec Co. 100%		Meramec Co. 100%
19	FEDERAL TRACTS TOTALING	8,075.14	ACRES	OR	82.45%	OF UNIT AREA	

TRACT NO.	DESCRIPTION OF LAND	NUMBER OF ACRES	SERIAL NUMBER & EXPIRATION DATE OF LEASE	BASIC ROYALTY AND PERCENTAGE	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE
STATE LANDS:							
20.	T29S-R24E, S.L.M. Sec. 36: Lots 1, 2, 3, W/2E/2, W/2	599.11	ML-37067 Effective 9-10-1979 HBP	✓ State of Utah -- All (12.5% Royalty)	✓ EnCana Oil & Gas (USA) Inc.	100.00%	None ✓ EnCana Oil & Gas (USA) Inc. 100.00%
21.	T29S-R25E, S.L.M. Sec. 32: W/2, SE/4	480.00	ML-48351 Effective 10-1-2001 Expires 9-30-2011	✓ State of Utah -- All (12.5% Royalty)	Cabot Oil & Gas Corporation	100.00%	None Cabot Oil & Gas Corporation 50.0% Burlington Resources Oil & Gas Company LLC 50.0% TOTAL 100.00%
22.	T30S-R25E, S.L.M. Sec. 2: Lots 19, 20, 21, 22, 25, 26, 27, 28, S/2	640.00	ML-48609 Effective 12-1-2000 Expires 11-30-2010	✓ State of Utah -- All (12.5% Royalty)	✓ EnCana Oil & Gas (USA) Inc.	100.00%	Kenneth K. Farmer 6.00% ✓ EnCana Oil & Gas (USA) Inc. 100.00%

STATE	TRACTS	TOTALING	1,719.11	ACRES	OR	17.55%	OF	UNIT	AREA
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22	TRACTS	TOTALING	9,794.25	IN	UNIT	AREA
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From: Ed Bonner
To: Mason, Diana
Date: 8/20/2007 3:07 PM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

Cabot Oil & Gas Corporation
McKenna 21-32 (API 43 037 31863)

Kerr McGee Oil & Gas Onshore LP
NBU 1022-13K4S (API 43 047 39473)
NBU 1022-13I3S (API 43 047 39474)
NBU 1022-13I4S (API 43 047 39475)
NBU 1022-13O1CS (API 43 047 39476)
NBU 1022-13J4S (API 43 047 39477)
NBU 1022-13O1AS (API 43 047 39478)
NBU 1022-13O2S (API 43 047 39479)
NBU 1022-13O4S (API 43 047 39480)
NBU 1022-13K3S (API 43 047 39481)
NBU 1023-13M1S (API 43 047 39482)
NBU 1022-13M2AS (API 43 047 39483)
NBU 1022-13N1S (API 43 047 39484)
NBU 1022-13L3S (API 43 047 39485)
NBU 1022-13L4S (API 43 047 39486)
NBU 1022-13N2S (API 43 047 39487)
NBU 1022-13M2SC (API 43 047 39488)
NBU 1022-13K-3T (API 43 047 39489)

Petro-Canada Resources (USA), Inc
State 16-41 (API 43 015 30721)
State 32-44 (API 43 015 30722)

Royale Energy, Inc
Vernal Equinox 2-2 (API 43 019 31552)

XTO Energy, Inc
State of Utah 16-8-31-13 (API 43 015 30719)
State of Utah 16-8-31-33D (API 43 015 30718)

If you have any questions regarding this matter please give me a call.



Cabot Oil & Gas Corporation

August 20, 2007

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining

Attn: Brad Hill, Diane Mason

Re: McKenna #21-32
Township 29 South, Range 25 East
Section 32: 456' FNL, 1686' FWL (Surface)
936' FNL, 1206' FWL (BHL)
San Juan County, Utah

Dear Ms. Mason & Mr. Hill:

Cabot Oil & Gas Corporation (Cabot) submits this letter pursuant to Oil & Gas Conservation Rule R649-3-11 pertaining to Exception to Location and Siting of Wells.

Cabot Oil & Gas Corporation has submitted an Application for Permit to Drill for the McKenna #21-32 Well. The location of the surface and expected location of the bottom hole is captioned above and shown on the Timberline Engineering and Land Surveying, Inc. plat enclosed.

Cabot plans to allow the well to naturally drift to the southwest of the surface location to bottom hole approximately 936' from the north line and 1206' from the west line of Section 32, Township 29 South, Range 25 East.

The McKenna #21-32 will be drilled on State of Utah surface and minerals covered by Oil and Gas Lease ML-48351. Cabot Oil & Gas Corporation, 600 17th Street, Suite 900 North, Denver, Colorado 80202 will be Operator of this wildcat well.

A Map titled McKenna Area shows that Cabot owns the lease to the north of the proposed McKenna #21-32 Well.

The deviation is requested as it is the most economical manner to reach this bottom hole from the surface location cleared by independent archeologists.

Cabot Oil & Gas Corporation respectfully requests that the permit be granted pursuant to R649-3-11.

Very truly yours,

CABOT OIL & GAS CORPORATION



Daniel R. Rowe
Landman

DRR/kbf

enclosures

T29S, R25E, S.L.B.&M.

CABOT OIL AND GAS

Found Rebar in
pile of stones,
cedar post

EAST - 80.07 (G.L.O.)

Found Set
Marked Stone,
Reconstructed
Pile of stones.

S89°48'27"E - 2651.67' (Meas.)

2648.02' (Measured)
S88°52'56"E (Basis of Bearings)

Found Rebar in
pile of stones.

1686'

936'

456'

Well Surface
Position

1206'

Bottom
of Hole

1/4 Corner
searched for not
found

**WELL LOCATION:
MCKENNA 21-32**

ELEV. UNGRADED GROUND = 6485.5'

1/4 Corner
searched for not
found

Found 1916
Brass Cap

Found 1918
Brass Cap

Found 1918 Brass
Cap, pile of stones
around cap

N89°26'18"W - 2649.85' (Meas.)

N89°58'18"E - 2667.25' (Meas.)

EAST (G.L.O.)

MCKENNA 21-32

(Bottom Hole) NAD 83

LATITUDE = 38° 14' 33.15"N, 38.242542"N
LONGITUDE = 109° 11' 42.98"W, 109.195273"W

NAD 27

LATITUDE = 38° 14' 33.19"N, 38.242553"N
LONGITUDE = 109° 11' 40.59"W, 109.194608"W

MCKENNA 21-32

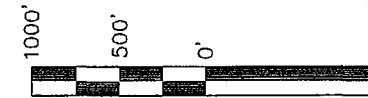
(Surface Position) NAD 83

LATITUDE = 38° 14' 37.88"N, 38.243855"N
LONGITUDE = 109° 11' 36.96"W, 109.193600"W

NAD 27

LATITUDE = 38° 14' 37.92"N, 38.243866"N
LONGITUDE = 109° 11' 34.57"W, 109.192935"W

WELL LOCATION, MCKENNA 21-32,
LOCATED AS SHOWN IN THE NW 1/4
NW 1/4 OF SECTION 32, T29S, R25E,
S.L.B.&M. SAN JUAN COUNTY, UTAH.



SCALE

NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
3. The Bottom of hole bears S45°05'17"W - 677.97' from the Surface Position.
4. Bearings are based on Global Positioning Satellite observations.
5. BASIS OF ELEVATION IS BENCH MARK G127 1934 LOCATED IN THE WEST 1/2 OF SECTION 3, T29S, R24E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE LA SAL WEST, UTAH 7.5 MIN. QUADRANGLE AS BEING 6844'.

▲ = SECTION CORNERS LOCATED

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.

No. 362251
KOBAY R.
KAY

REGISTERED LAND SURVEYOR
REGISTRATION NO. 362251
STATE OF UTAH

TIMBERLINE

(435) 789-1365

ENGINEERING & LAND SURVEYING, INC.

38 WEST 100 NORTH - VERNAL, UTAH 84078

DATE SURVEYED:
08-11-07

SURVEYED BY: B.J.S.

DATE DRAWN:
08-13-07

DRAWN BY: M.W.W.

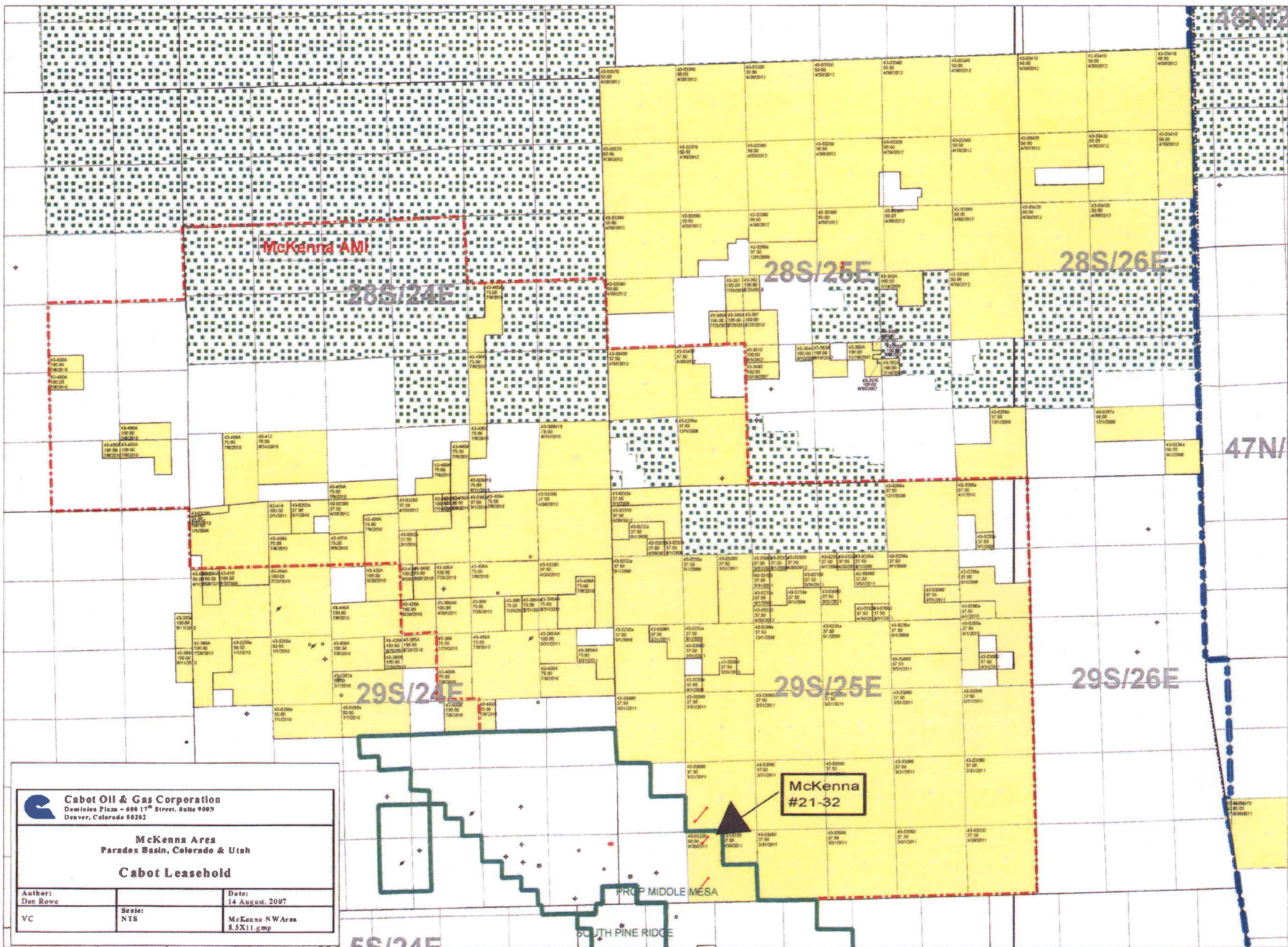
SCALE: 1" = 1000'

Date Last Revised:

SHEET

2

OF 11





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

August 21, 2007

Cabot Oil & Gas Corporation
600 17th St., Ste. 900N
Denver, CO 80202

Re: McKenna 21-32 Well, 456' FNL, 1686' FWL, NE NW, Sec. 32, T. 29 South, R. 25 East,
Bottom Location 936' FNL, 1206' FWL, NW NW, Sec. 32, T. 29 South, R. 25 East,
San Juan County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-037-31863.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: San Juan County Assessor
SITLA
Bureau of Land Management, Moab Office



Operator: Cabot Oil & Gas Corporation
Well Name & Number McKenna 21-32
API Number: 43-037-31863
Lease: ML-48351

Location: NE NW Sec. 32 T. 29 South R. 25 East
Bottom Location: NW NW Sec. 32 T. 29 South R. 25 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
7. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
8. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

Well History

CONFIDENTIAL
43-037-31863

12-Sep-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606**
Artesia Number:

Type: **AF**

SAN JUAN County, UT
Program Year: 2007
Location: SECTION 32, T29S, R25E
Prospect: PARADOX
Formation: ISMAY & HONAKER TRAIL
AFE DHC/CWC: \$1,400,000 / \$2,150,000
Net AFE: \$1,050,000 / \$1,612,500
TD: PBTD:
Permit No:
Drop Date:
COGC WI / NRI: 75.00000% 67.50000%
BPO / APO: 75.00000% 75.00000%

Spud Date:
Completion Date:
P&A Date:
Lease Number:
Date of First Prod:
Rig/Contractor: UNITED RIG #41
Service Contractor:
Pipeline:
API Number: 4303731863
UWI:
GL / KB Elev: 6505 / 0
Rig Release:

Project Type: 2-DEV DRILLING
09/09/2007 Current Depth: Daily Cost: \$136,737 AFE Cost to Date: \$136,737
Current Status: RIG UP UNITED RIG #41

Location & reserve pit built, pit lined, fenced, and full of water. 20" conductor, rat & mouse hole set. Received 24 loads of United Drilling Rig #41 to location, spot & unload rig components on new location. Set sub-base & steel mud tanks.

09/10/2007 Current Depth: Daily Cost: \$2,354 AFE Cost to Date: \$139,091
Current Status: RIGGING UP

Received 2 loads of rig components, assembled derrick (on the ground), set draw works on sub base, set mud pumps, generator house, water & fuel tanks. Released rig move trucks @ 12:00 noon, 9-Sept-07. A legs, cat walk, and traveling blocks will arrive today. Will set remainder of floor when A legs arrive. 75% RU.

09/11/2007 Current Depth: Daily Cost: \$10,430 AFE Cost to Date: \$149,521
Current Status: RIGGING UP UNITED RIG #41

Finished RU mud / fluid system. Filled all steel pits w/ reserve pit water. Primed up mud system & check for leaks. Wait on A legs to finish RU. A legs were inspected on Monday, 9/10/07. Legs are scheduled to be shipped today, 9/11/07.

09/12/2007 Current Depth: Daily Cost: \$3,945 AFE Cost to Date: \$153,466
Current Status: RIGGING UP UNITED RIG #41

Wait on A legs to finish RU. Legs will be on location today, 9/12/07.

RECEIVED
SEP 12 2007

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: CABOT OIL & GAS CORPORATION

Well Name: MCKENNA 21-32

Api No: 43-037-31863 Lease Type: STATE

Section 32 Township 29S Range 25E County SAN JUAN

Drilling Contractor _____ RIG # _____

SPUDDED:

Date 09/09/07

Time _____

How DRY

Drilling will Commence: _____

Reported by DAVE MOORE

Telephone # (307) 212-4121

Date 09/12/07 Signed CHD

FAX# 801-359-3940
FAX to: EARLENE
RUSSELL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Cabot Oil & Gas Corporation (TIGHT HOLE WELL) Operator Account Number: N 6345
Address: 600 - 17th Street, Ste. 900N
city Denver
state CO zip 80202 Phone Number: (303) 226-9400

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4303731863	McKenna #21-32	NENW	32	29S	25E	San Juan
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	16337	9/15/2007	9/25/07		
Comments: ISM Y BHL = NWNW not committed to unit						

CONFIDENTIAL

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

RECEIVED
SEP 18 2007

Jean Arnold - Prod. Tech. Cabot Oil & Gas

Name (Please Print)

Signature

Prod. Tech.

Title

Date

9-17-07

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-48351

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Middle Mesa

8. WELL NAME and NUMBER:
McKenna 21-32

9. API NUMBER:
4303731863

10. FIELD AND POOL, OR WILDCAT:
Wildcat

1. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER TIGHT HOLE

2. NAME OF OPERATOR:
Cabot Oil & Gas Corp.

3. ADDRESS OF OPERATOR:
600 17th St., Ste 900N CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 226-9443

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 456' FNL & 1686' FWL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 29S 25E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input checked="" type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Change surface casing depth & cement as follows:

Plan to run 9-5/8", 36#, J-55, LT&C surface casing. Change surface casing depth from 2400' to 2545'. Found top of Chinle @ 2470'.

Change surface casing cement:

From: 307 sx Premium Lite Plus (12.0 ppg, 2.45 yld) & 549 sx Type III (14.5 ppg, 1.40 yld)

To: 271 sx Premium Lite FM (11.0 ppg, 2.78 yld) & 549 sx Type III (14.5 ppg, 1.40 yld)

Lost circulation zones were encountered during drilling of 12 1/4" surface hole. Cement change was made to lower hydrostatic pressure.

RECEIVED

SEP 26 2007

Verbal approval obtained from Dustin Doucet on 9/21/07.

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Rolando D. Benavides

TITLE Contract Petroleum Engineer

SIGNATURE

DATE 9/24/2007

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 10/23/07 (See Instructions on Reverse Side)

BY: [Signature]

*Cement on Surface Csg should be circulated back to surface

COPY SENT TO OPERATOR
10-24-07
RM

Well name:

2007-07 Cabot McKenna 14-32revII.Operator: **Cabot Oil & Gas Corporation**String type: **Surface**

Project ID:

43-037-31863Location: **San Juan County****Design parameters:****Collapse**Mud weight: 8.800 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

BurstMax anticipated surface pressure: 2,240 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,545 psi

No backup mud specified.**Tension:**8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 2,214 ft

Environment:H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 101 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 299 ft

Cement top:

146 ft
*W/18" washer +
*Circ. cut to surface***Non-directional string.****Re subsequent strings:**Next setting depth: 8,100 ft
Next mud weight: 9.500 ppg
Next setting BHP: 3,997 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,545 ft
Injection pressure: 2,545 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2545	9.625	36.00	J-55	LT&C	2545	2545	8.796	1104.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1163	2020	1.736 ✓	2545	3520	1.38 ✓	92	453	4.94 J ✓

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: October 23, 2007
Salt Lake City, Utah**ENGINEERING STIPULATIONS -**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER "TIGHT HOLE WELL"

2. NAME OF OPERATOR:
Cabot Oil & Gas Corp.

3. ADDRESS OF OPERATOR:
600 17th St., Ste. 900N CITY Denver STATE CO ZIP 80202

PHONE NUMBER:
(303) 226-9443

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 456' FNL & 1686' FWL

COUNTY: San Juan

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 29S 25E

STATE: UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-48351

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Middle Mesa

8. WELL NAME and NUMBER:
McKenna 21-32

9. API NUMBER:
4303731863

10. FIELD AND POOL, OR WILDCAT:
Wildcat

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Daily activity reports.</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Daily activity reports are attached from 10-15-07 to 10-23-07.

NAME (PLEASE PRINT) Jean Arnold

TITLE Prod. Tech.

SIGNATURE

DATE 10/23/2007

(This space for State use only)

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OCT 24 2007

DIV. OF OIL, GAS & MINING

Well History

23-Oct-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/14/2007 Current Depth: **5,072** Daily Cost: **\$32,544** AFE Cost to Date: **\$1,403,981**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4953' to 4979', 26' / 3.5 hrs, 7.4 fph. Drill f/ 4979' to 5011', 32' / 3.0 hrs, 10.7 fph. Circ & teledrift survey @ 4968' on 2nd try, worked stuck pipe free after survey/ 5 min.

Drill f/ 5011' to 5035', 24' / 7.0 hrs, 3.4 fph. Drill f/ 5035' to 5048', 13' / 2.5 hrs, 5.2 fph. Drill f/ 5048' to 5072', 24' / 6.0 hrs, 4.0 fph in Cutler.

MW 13.1, VIS 44, WL 16.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 476' in 59.0 hrs, ROP 8.1.

MD ANGLE
4968' 3.00

10/15/2007 Current Depth: **5,262** Daily Cost: **\$37,495** AFE Cost to Date: **\$1,441,476**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 5072' to 5105', 33' / 7.5 hrs, 4.4 fph. Drill f/ 5105' to 5122', 17' / 2.5 hrs, 6.8 fph. Drill f/ 5122' to 5203', 81' / 6.5 hrs, 12.5 fph. Drill f/ 5203' to 5262', 59' / 6.0 hrs, 9.8 fph in Cutler.

MW 13.1, VIS 58, WL 10.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 666' in 81.5 hrs, ROP 8.2.

10/16/2007 Current Depth: **5,296** Daily Cost: **\$37,369** AFE Cost to Date: **\$1,478,845**

Current Status: **PREP TO PUMP BLACK MAGIC DOWN HOLE**

Drill 8-3/4" hole f/ 5262' to 5296', 34' / 5.0 hrs, 6.8 fph.

Circ & teledrift survey twice @ 5245'. Worked stuck pipe loose after each survey.

Service rig. Pipe stuck w/ kelly bushing above rotary table after servicing rig.

Work & jar on stuck pipe. Jar down & intermittantly attempt to rotate pipe in table w/ DC slips.

Work & jar on stuck pipe while mixing & weighting up Black Magic.

MW 13.1, VIS 47, WL 17.0

Survey:

MD Angle
5245 3.00

10/17/2007 Current Depth: **5,296** Daily Cost: **\$54,255** AFE Cost to Date: **\$1,533,100**

Current Status: **PUMP BLACK MAGIC**

Work & jar on stuck pipe while mixing & weighting up Black Magic.

Spotted 46 bbls of 13.0 ppg Black Magic (15 bbls Black Magic inside pipe & calc top outside pipe @ 4640').

Placed 95K# down weight w/ 2-1/2 wraps of torque in pipe.

Pumped & moved 1 bbl Black Magic every hour/ 10 hrs.

Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour/ 2 hrs (calc top of Black Magic @ 4491').

Work & jar on stuck pipe while waiting on Black Warrior wireline.

Pumped & moved 1bbl Black Magic every hour/ 2 hrs.

U Black Warrior wireline.

RIH to 4503' w/ freepoint tool, stop & check @ 3004' / 100% free.

Freepoint @ 4503', 4314', 4259' & 4190' (1st jt HWDWP below jars) / all 100% stuck.

Freepoint @ 3004' / 100% free, 3802' / 75% free, 4016' / 55% free & 4127' (1st HWDWP above jars) / 50% free.

POOH & RD Black Warrior wireline.

Pumped Black Magic 840' up hole w/ 1230 pump strokes. Calc top of Black Magic @ 3651' & calc bottom @ 4491'.

Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 2 hrs.

MW 13.1, VIS 50, WL 15.0

Well History

23-Oct-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/18/2007 Current Depth: 5,296 Daily Cost: \$70,386 AFE Cost to Date: \$1,603,486

Current Status: **WORKING & JARRING STUCK PIPE WHILE RU WACO MUD CLEANER**

Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 3 hrs. Work & jar stuck pipe while Swaco RU mud cleaner & pumps/ 21 hrs. Finished mixing new batch of 13.0 ppg Black Magic @ 3:00 AM. Plan to lower solids & water loss in mud & spot Black Magic across BHA.

10/19/2007 Current Depth: 5,296 Daily Cost: \$64,540 AFE Cost to Date: \$1,668,026

Current Status: **WORK & CIRC PIPE WHILE MIXING BLACK MAGIC**

Work & jar stuck pipe while circ hole & Swaco RU mud cleaner & pumps/ 7.5 hrs.
Work pipe intermittently while circulating & conditioning mud/ 6.5 hrs. Ran mud cleaner for 3 hrs.
Start pumping Black Magic downhole. Pumped 424 strokes (16 bbls) & found premix tank empty. Discovered that 87 bbls Black Magic leaked by a closed suction valve back into the suction pit (active pits completely full). Dump sandtrap to lower pit volume. Work & jar stuck pipe every 30 min while circulating hole. Start filling premix tank w/ diesel to mix another 103 bbl batch of Black Magic. Work & jar stuck pipe every 30 min while circ hole/ 6 hrs.

MW 13.0; Vis 42; API WL 6.0

10/20/2007 Current Depth: 5,296 Daily Cost: \$71,000 AFE Cost to Date: \$1,739,026

Current Status: **WORK & JARRING STUCK PIPE**

Work & jar stuck pipe every 30 min while circulating hole, finish adding barite to Black Magic, 13.0 ppg. Spot 103 bbls of 13.0 ppg Black Magic (25 bbls inside pipe & calc top outside pipe @ 3780'.
Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 6 hrs. Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour/ 14 hrs.
MW 13.0, VIS 44, WL 5.2

10/21/2007 Current Depth: 5,296 Daily Cost: \$62,010 AFE Cost to Date: \$1,801,036

Current Status: **PU 6 1/2" DRILL COLLARS**

Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour / 3 hrs.
Inspect derrick after repeated jarring, OK
RU Black Warrior wireline.
RIH w/ freepoint tool & found 3516' / 100% free, 3868' / 90% free, 4021' (5 jts down in HWDP) / 65% free, 4145' (1st HWDP above jars) / 45% free & 4206' (1st HWDP below jars) / 100% stuck.
POOH w/ freepoint tool & make up string shot #1. RIH & attempt back off @ 4133' WLM / 4139' DPM, no back off. POOH.
Make up string shot #2. RIH & attempt back off @ 4133' WLM / 4139' DPM, no back off. POOH. Make up string shot #3.
RIH & back off @ 4045' WLM / 4047' DPM (4 jts HWDP above jars). POOH & RD Black Warrior wireline. Pump slug & TOOH w/ 5-stands DP. Drill pipe slips not holding, 1-slip die was broken. Replaced all slip dies w/ new dies / 1.5 hrs. TOOH w/ 36-stands DP & 5 jts HWDP. Fish left in hole: Bit, mud motor, teledrift sub, (3) 6-1/2" DC, (30) 4-1/2" HWDP, 6-1/2" jars, (4) 4-1/2" HWDP, total 1210.80'. PU 8-1/8" washpipe BHA.
MW 13.0, VIS 45, WL 5.2

10/22/2007 Current Depth: 5,296 Daily Cost: \$50,675 AFE Cost to Date: \$1,851,711

Current Status: **WO WASHOVER SHOE**

Continue PU 8-1/8" washpipe BHA.
TIH w/ 1-stand of 4-1/2" HWDP & install rotating head rubber.
TIH w/ 8-1/8" washpipe BHA using a wet plug & checking every connection. LD top jt on last 3 stands.
Make up kelly & wash to top of fish @ 4047'.
Wash & ream over top of fish @ 4047' to 4049'. Torque went away, unable to make any further headway.
Mix & pump slug, stand back kelly.
TOOH w/ washpipe BHA #1. Washover shoe was worn badly & marked w/ 3 distinct rings where it had been run on the top of the fish.
Access washshoe markings & discuss forward plan.
Wait on cut-rite dressed 30 deg mule shoe washover shoe / 5.5 hrs.
MW 13.1, VIS 50, WL 5.2

Well History

23-Oct-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/23/2007

Current Depth: **5,296**

Daily Cost: **\$39,081**

AFE Cost to Date: **\$1,890,792**

Current Status: **TOOH**

Wait on cut rite dressed 30 deg mule shoe washover shoe. Weatherford delivered a crippled castle shoe. Make up 8-1/8" washpipe BHA w/ 8-3/8" crippled castle shoe & 2 jts washpipe.

TIH w/ 1-stand of 4-1/2" HWDP & install rotating head rubber. TIH, slowly, w/ 8-1/8" washpipe BHA #2 using a wet plug to 4007'. Make up kelly & wash to top of fish @ 4047'.

Wash & work w/ kelly to top of fish @ 4047'. String taking weight & rotary table torquing up.

Wash & work w/ kelly over top of fish @ 4047' @ 12:45 AM down to 4079'.

Make connection. Wash & work without kelly over top of fish @ 4047' @ 1:20 AM & down to 4110'. Circ bottoms up, mix & pump slug. Stand back kelly. TOOH slowly w/ washpipe BHA #2.

MW 13.0, VIS 54, WL 4.4

ORIGINAL

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

3. LEASE DESIGNATION AND SERIAL NUMBER:
ML-48351

4. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CO-AGREEMENT NAME:
Middle Mesa

8. WELL NAME and NUMBER:
McKenna 21-32

9. API NUMBER
4303731863

10. FIELD AND POOL, OR WILDCAT:
Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER "TIGHT HOLE WELL"

2. NAME OF OPERATOR:
Cabot Oil & Gas Corp.

3. ADDRESS OF OPERATOR 600 17th St., Ste. 900N Denver CO 80202 PHONE NUMBER (303) 226-9443

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 456' FNL & 1686' FWL

COUNTY San Juan

OTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN, NENW 32 29S 25E

STATE UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Plan to plug & abandon McKenna #21-32 by spotting Class G cement plugs as follows:

Plug	Interval	Cmt Plug (ft)	Sx	Comments
#1	4328' - 4478'	150'	~65	On top of HWDP fish @ 4478'
#2	3650' - 4050'	400'	~175	Across White Rim Sand: Top 3700', Bottom 4000'
#3	2470' - 2620'	150'	~65	9-5/8" surface csg @ 2545'
#4	Surface - 100'	100'	~45	Surface plug

8 3/4" hole is full of 13.0 ppg mud.

COPY SENT TO OPERATOR
Date: 10-31-07
Initials: CAG

NAME (PLEASE PRINT) Jean Arnold

TITLE Prod. Tech.

SIGNATURE

DATE 10/30/2007

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

(5/2000)

Date: 10/30/07

By: [Signature]

(See Instructions on Reverse Side)

RECEIVED

OCT 30 2007

DIV. OF OIL, GAS & MINING

* All balanced plugs
shall be plugged & tagged

CONFIDENTIAL

ORIGINAL

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER "TIGHT HOLE WELL"		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48351
2. NAME OF OPERATOR: Cabot Oil & Gas Corp.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: -----
3. ADDRESS OF OPERATOR: 600 17th St., Ste. 900N CITY Denver STATE CO 80202		7. UNIT or CA AGREEMENT NAME: Middle Mesa
4. LOCATION OF WELL FOOTAGES AT SURFACE: 456' FNL & 1686' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 29S 25E		8. WELL NAME and NUMBER: McKenna 21-32
PHONE NUMBER: (303) 226-9443		9. API NUMBER: 4303731863
COUNTY: San Juan		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Plan to plug & abandon McKenna #21-32 by spotting Class G cement plugs as follows:

Plug	Interval	Cmt Plug (ft)	Sx	Comments
#1	4328' - 4478'	150'	~65	On top of HWDP fish @ 4478'
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#3	2470' - 2620'	150'	~65	9-5/8" surface csg @ 2545'
#4	Surface - 100'	100'	~45	Surface plug

8 3/4" hole is full of 13.0 ppg mud.

COPY SENT TO OPERATOR
Date: 11/1/07
Initials: RM

NAME (PLEASE PRINT) Jean Arnold	TITLE Prod. Tech.
SIGNATURE <i>Jean Arnold</i>	DATE 10/30/2007

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE: 11/1/07

BY: *[Signature]*

Verbal Approval Given 10/30/07

*Tag Plugs

(See Instructions on Reverse Side)

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OCT 31 2007

DIV. OF OIL, GAS & MINING

Well History

CONFIDENTIAL
43-039-31863

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

SAN JUAN County, UT
Program Year: 2007
Location: SECTION 32, T29S, R25E
Prospect: PARADOX
Formation: ISMAY & HONAKER TRAIL
AFE DHC/CWC: \$1,400,000 / \$2,150,000
Net AFE \$1,050,000 / \$1,612,500
TD: PBTD:
Permit No:
Drop Date:
COGC WI / NRI: 75.00000% 67.50000%
BPO / APO: 75.00000% 75.00000%

Spud Date: 09/15/2007
Completion Date:
P&A Date:
Lease Number:
Date of First Prod:
Rig/Contractor: UNITED RIG #41
Service Contractor:
Pipeline:
API Number: 4303731863
UWI:
GL / KB Elev: 6505 / 0
Rig Release: 11/3/2007

Project Type: 1-EXP DRILLING
09/09/2007 Current Depth: Daily Cost: \$136,737 AFE Cost to Date: \$136,737

Current Status: RIG UP UNITED RIG #41

Location & reserve pit built, pit lined, fenced, and full of water. 20" conductor, rat & mouse hole set. Received 24 loads of United Drilling Rig #41 to location, spot & unload rig components on new location. Set sub-base & steel mud tanks.

09/10/2007 Current Depth: Daily Cost: \$2,354 AFE Cost to Date: \$139,091

Current Status: RIGGING UP

Received 2 loads of rig components, assembled derrick (on the ground), set draw works on sub base, set mud pumps, generator house, water & fuel tanks. Released rig move trucks @ 12:00 noon, 9-Sept-07. A legs, cat walk, and traveling blocks will arrive today. Will set remainder of floor when A legs arrive. 75% RU.

09/11/2007 Current Depth: Daily Cost: \$10,430 AFE Cost to Date: \$149,521

Current Status: RIGGING UP UNITED RIG #41

Finished RU mud / fluid system. Filled all steel pits w/ reserve pit water. Primed up mud system & check for leaks. Wait on A legs to finish RU. A legs were inspected on Monday, 9/10/07. Legs are scheduled to be shipped today, 9/11/07.

09/12/2007 Current Depth: Daily Cost: \$3,945 AFE Cost to Date: \$153,466

Current Status: RIGGING UP UNITED RIG #41

Wait on A legs to finish RU. Legs will be on location today, 9/12/07.

09/13/2007 Current Depth: Daily Cost: \$29,854 AFE Cost to Date: \$183,320

Current Status: RIGGING UP UNITED RIG #41

A legs arrived @ 5:00 p.m. Off loaded newly inspected A legs & installed on derrick.

09/14/2007 Current Depth: Daily Cost: \$29,285 AFE Cost to Date: \$212,605

Current Status: RIGGING UP UNITED RIG #41

Set A legs on rig floor. Moved derrick in place & moved onto rig floor. Set cat walk, upper dog house & 500 bbl water tank in place below rig. Released rig move trucks @ 1:00 PM, 9/13/07.

String up traveling blocks & rig up bridle lines. Should spud late today, 9/14/07.

RECEIVED

NOV 05 2007

DIV. OF OIL, GAS & MINING

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: 430049001

Project Type: 1-EXP DRILLING

09/15/2007 Current Depth: 83 Daily Cost: \$28,126 AFE Cost to Date: \$240,731

Current Status: DRILLING

Raised derrick, welded on drilling nipple & NU flowline. RU drill floor & PU kelly.

OD, ID & strap BHA.

RU new kelly spinner.

Prime up all fluid pumps

Jet bit #1 & make up on 8" mud motor.

Spud 12-1/4" surface hole @ 4:00 AM, 9/15/07. Drill f/ 50' to 83', 33' / 2.0 hrs, 16.5 fph.

Lost 500 bbls water, add LCM. Extremely hard sandstone.

MW 8.4, VIS 26

REED Bit #1, 12 1/4", M4349P, in @ 50', made 33' in 2 hrs, ROP 16.5'

09/16/2007 Current Depth: 305 Daily Cost: \$38,504 AFE Cost to Date: \$279,235

Current Status: DRILLING

Drill 12-1/4" hole in hard sandstone f/ 83' to 88', 5' / 1.5 hrs, 3.3 fph.

Lost 100% circulation @ 88'. Pump 100 bbls premix gel w/ mica & cedar fiber LCM. Regain 100% circulation.

Drill f/ 88' to 120', 32' / 6.5 hrs, 4.9 fph, good circulation.

Drill f/ 120' to 136', 16' / 2.0 hrs, 8.0 fph.

Drill f/ 136' to 148', 12' / 1 hr, 12.0 fph.

Drill f/ 148' to 176', 28' / 2.0 hrs, 14.0 fph.

Drill f/ 176' to 188', 12' / 1.5 hrs, 8.0 fph.

Drill 12-1/4" hole in hard sandstone f/ 188' to 305', 117' / 6.0 hrs, 19.5 fph.

MW 8.4,

REED Bit #1, 12 1/4", M4349P, in @ 50', made 255' in 22.5 hrs, ROP 11.3'

09/17/2007 Current Depth: 763 Daily Cost: \$30,652 AFE Cost to Date: \$309,887

Current Status: DRILLING

Drill 12-1/4" hole in hard sandstone f/ 305' to 395', 90' / 3.0 hrs, 30.0 fph.

Drill f/ 395' to 498', 103' / 5.0 hrs, 20.6 fph.

Work tight hole @ 498', pump 25 bbl gel sweep.

Drill f/ 498' to 517', 19' / 0.5 hr, 38.0 fph.

Drill f/ 517' to 548', 31' / 1.5 hrs, 20.7 fph.

Drill f/ 548' to 658', 110' / 6.0 hrs, 18.3 fph.

Drill f/ 658' to 763', 105' / 6.0 hrs, 17.5 fph.

MW 8.4, VIS 28

REED Bit #1, 12 1/4", M4349P, in @ 50', made 713' in 44.5 hrs, ROP 16.0'

Survey:

MD Angle

517 1.00

09/18/2007 Current Depth: 1,120 Daily Cost: \$56,497 AFE Cost to Date: \$366,384

Current Status: DRILLING

Drill from 763' to 793', ROP down to 12 fph. Pump sweep & circ hole clean. TOH, had tight hole from 670' to 480'. MU type

5-4-7 bit & TIH. Precautionary wash & ream from 700' to 793'. No fill on bottom, no tight hole. Drill from 793' to 1120'.

ROP increased to 23 fph with new bit. WLS 1 deg at 1009'.

09/19/2007 Current Depth: 1,591 Daily Cost: \$33,142 AFE Cost to Date: \$399,526

Current Status: DRILLING

Drill from 1120' to 1591'. Drilled into softer formation at 1110' and ROP increased significantly. Lost complete returns at 1474', 1533' & 1568'. Was able to regain circulation each time with gel & LCM. Lost returns again at 1591', unable to regain circ or fill hole. POOH to let hole heal, LD motor & Teledrift tool, and increase LCM conc in mud system. WLS 1 deg at

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

09/20/2007 Current Depth: **1,786** Daily Cost: **\$46,185** AFE Cost to Date: **\$445,711**

Current Status: **DRILLING**

TOOH, LD 8" mud motor & teledrift tool.

Mix 20#/bbl LCM to 150 bbls pre-mix gel in pre-mix tank. Pump down & filled up hole, fluid static.

PU double box lead DC & make up bit #2.

TIH, break circ @ 800'. TIH to 1560', precautionary wash & ream f/ 1560' to 1591', no fill on bottom, no tight spots, 100% circulation. Bypassed shakers to keep LCM in system.

Drill f/ 1591' to 1616', 25' / 1 hr, 25.0 fph. Control drill due to losses w/ 1-pump only.

Lost circ (100%). Mix pre-mix gel & LCM @ 35%, pump 150 bbls, regain full circ.

Drill f/ 1616' to 1676', 60' / 2.0 hrs, 30.0 fph, lost 100% circ.

Mix & pump prehydrated gel & 30 #/bbl LCM. Regained full circ.

Drill f/ 1676' to 1683', lost 100% circ.

Mix & pump 150 bbls prehydrated gel & 30 #/bbl LCM. Regained full circ.

Drill f/ 1683' to 1702', 19' / 0.5 hr, 38.0 fph, full circ.

Drill f/ 1702' to 1722', 20' / 0.5 hr, 40.0 fph, lost 100% circ.

Mix & pump 130 bbls prehydrated gel & 30 #/bbl LCM. Regained full circ.

Drill f/ 1722' to 1754', 32' / 1 hr, 32.0 fph. Lost 100% circ.

Mix & pump 130 bbls prehydrated gel & 30 #/bbl LCM, regained full circ.

Drill f/ 1754' to 1786', 32' / 1 hr, 32.0 fph. Lost circ, attempt to regain circ.

09/21/2007 Current Depth: **2,080** Daily Cost: **\$43,169** AFE Cost to Date: **\$488,880**

Current Status: **DRILLING**

Build up surface water volume in preparation to drill without returns. Drill from 1786' to 1817' with no circulation, got full circulation back at 1817'. Drill from 1817' to 2080' with full circulation. Bit jets plugged & blew pressure sensor off standpipe. POOH to unplug bit and repair standpipe. WLS ¼ deg at 2016'.

09/22/2007 Current Depth: **2,400** Daily Cost: **\$30,251** AFE Cost to Date: **\$519,131**

Current Status: **DRILLING**

TOOH, unplug 2-jet nozzles in bit & repair stand pipe. TIH, precautionary wash & ream f/ 2050' to 2080'. No tight spots, no fill on bottom.

Drill 12-1/4" hole f/ 2080' to 2170', 90' / 6.0 hrs, 15.0 fph.

Drill f/ 2170' to 2247', 77' / 6.0 hrs, 12.8 fph.

Drill f/ 2247' to 2400', 153' / 6.0 hrs, 25.5 fph, 100% circulation.

Switched flow across shakers @ 5:00 AM to help locate top of Chinle formation (should be red in color).

HTC Bit #2, 12 1/4", HR-S30C, in @ 793', made 1,607' in 77.0 hrs, ROP 21.1.

MW	VIS	WL
8.6	45	15.0

09/23/2007 Current Depth: **2,545** Daily Cost: **\$29,400** AFE Cost to Date: **\$548,531**

Current Status: **TOOH.**

Drill 12-1/4" hole f/ 2400' to 2495', 95' / 9.0 hrs, 10.6 fph. Top of Chinle @ 2470'. Drill f/ 2495' to 2510', 15' / 2.0 hrs, 7.5

fph. Drill f/ 2510' to 2545', 35' / 6.0 hrs, 5.8 fph. Circ hole clean, full circulation. Wipe hole f/ 2545' to 230' to top of 6"

DC, no excessive tight hole. Circ hole clean, full circulation across shaker.

TOOH to run surface casing.

HTC Bit #2, 12 1/4", HR-S30C, in @ 793', out @ 2,545', made 1,752' in 93.0 hrs, ROP 18.8.

MW	VIS	WL
8.6	45	15.0

MD	ANGLE
2521'	0.50

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

09/24/2007 Current Depth: **2,545** Daily Cost: **\$145,565** AFE Cost to Date: **\$694,096**

Current Status: **NU BOPE.**

TOOH, LD 8" DC & shock tool. RU casing crew & PU machine.

Ran 55 jts 9-5/8", 36#, J-55, LT&C casing w/ float shoe & float collar @ 2496'.

Ran 8-centralizers: one centralizer on first 3 jts, then one centralizer every other jt

Broke circulation @ 1200'. Landed 9-5/8" casing @ 2545' Circ casing w/ full circulation. RD casing crew & RU BJ Services.

Pres test pump & lines to 2500 psi. Pumped 30 bbls gel spacer, 10 BW, then lead cement: 271 sx / 725 cf / 134 bbls

Premium Lite FM w/ additives @ 11.0 ppg followed by tail cement: 549 sx / 770 cf / 137 bbls Type III w/ additives @ 14.5

ppg. Dropped top rubber plug & displaced w/ 193.5 BW. Bumped plug w/ 1250 psi, float held.

Had full returns, circ 50 bbls cement to surface. Monitor cement fall back in annulus, cement fell back 5' below rotary table.

Clean cellar, prep for welder. Weld on 11"-5Mx9-5/8" SOW casinghead. Pres test weld to 1000 psi. NU BOP stack.

MW VIS WL
8.4 26 0.00

09/25/2007 Current Depth: **2,545** Daily Cost: **\$30,626** AFE Cost to Date: **\$724,722**

Current Status: **PRESSURE TEST BOPE.**

NU 11"X5m BOP

Dump & clean LCM & cuttings out of mud pits. Fill pits w/ reserve pit water. NU rotating head.

Welder finished installing new choke line, kill line & vent lines to flare pit.

Changed liners in #1 & #2 mud pumps to 4-1/2".

09/26/2007 Current Depth: **2,545** Daily Cost: **\$28,215** AFE Cost to Date: **\$752,937**

Current Status: **PRESSURE TEST BOPE.**

Finish installing new 4-1/2" liners in both mud pumps. Weld & connect flow line f/ rotating head to flow ditch. Pres test upper & lower rams, TIW valves, dart valve & floor TIW valves to 250 psi low/ 5 min & 5000 psi high/ 10 min. Floor TIW valve failed to test, have new one on the way. Set C22 test plug in FMC 11"-5M casinghead. New HCR valve arrived, installed on choke line side. Pres test casing to 1700 psi/ 30 min, OK. Continue testing kill & choke valves to 250 psi / 5 min, 5000 psi / 10 min. Repair & retighten leaking flanges. Welder rebuilt choke line to manifold after installation of HCR valve. Pres test to 5000 psi, OK. BOP testing 80% complete.

09/27/2007 Current Depth: **2,780** Daily Cost: **\$36,466** AFE Cost to Date: **\$789,403**

Current Status: **DRILLING**

Pres test all choke manifold valves, blind rams & replacement TIW valve to 250 psi low/ 5 min & 5000 psi high/ 10 min, OK.

Pres test annular to 250 psi low/ 5 min & 2500 psi high/ 10 min, OK. PU & make up new 8-3/4" PDC Bit, mud motor & teledrift tool. TIH w/ BHA. Installed new rubber in rotating head. Drill cement, float collar @ 2496', cement & float shoe @ 2545'. Drill 10' of new hole f/ 2545' to 2555'. Circ hole clean. RU testers. Perform formation integrity test @ 2555' w/ 8.4 ppg water & 150 psi surface pressure, 9.5 ppg EMW. Drill 8-3/4" hole f/ 2555' to 2780', 225' / 5.5 hrs, 40.9 fph in Chinle. MW 8.4

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 235' in 5.5 hrs, ROP 42.7

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

09/28/2007 Current Depth: **3,595** Daily Cost: **\$37,873** AFE Cost to Date: **\$827,276**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 2780' to 2982', 202' / 5.0 hrs, 40.4 fph.

Drill f/ 2982' to 3014', 32' / 1 hr, 32.0 fph.

Drill f/ 3014' to 3105', 91' / 4.5 hrs, 20.2 fph in Moenkopi.

Drill f/ 3105' to 3204', 99' / 2.0 hrs, 49.5 fph.

Drill f/ 3204' to 3327', 123' / 3.0 hrs, 41.0 fph.

Drill f/ 3327' to 3521', 194' / 4.0 hrs, 48.5 fph.

Drill f/ 3521' to 3595', 74' / 1.5 hrs, 49.3 fph.

MW 8.65, VIS 38, WL 25

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1050' in 27 hrs, ROP 38.9

Survey:

MD Angle

3014 0.00

3521 0.50

09/29/2007 Current Depth: **3,701** Daily Cost: **\$41,419** AFE Cost to Date: **\$868,695**

Current Status: **REBUILD SURFACE MUD VOLUME TO KILL WEIGHT**

Drill 8-3/4" hole f/ 3595' to 3615', 20' / 0.5 hr, 40.0 fph.

Drill f/ 3615' to 3701', 86' / 1.5 hrs, 57.3 fph, well started flowing (water flow in White Rim sandstone).

Drill crew shut in well, SI @ 9:10 AM, 9/28/07 w/ 406 psi SIDPP & 600 psi SICP w/ 10 bbl gain, 9.3 ppg mud wt.

Lubricate rubber in annular, set slips in rotary, rotate drill string @ 19 RPM.

Mix surface pits to 11.6 ppg w/ barite for kill wt mud.

Pump 11.6 ppg kill wt mud w/ returns through choke & loaded hole.

Opened well, well flowing 1-1/2" stream out of choke line w/ FP 100 psi. SI well & check pressure, SIDPP 0 psi, SICP 100 psi. Recalculated mud weight needed to kill well @ 12.2 ppg. Start rebuilding surface mud pit volume.

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1156' in 29 hrs, ROP 39.9

09/30/2007 Current Depth: **3,869** Daily Cost: **\$44,382** AFE Cost to Date: **\$913,077**

Current Status: **CHANGE ANNULAR RUBBER**

Circ & condition surface mud, raise mud weight to 12.2 ppg.

Kill well on choke w/ 12.2 ppg mud, recovered the 11.6 ppg circ out of hole & transferred to pre mix tank for weight up. Well dead, no flow, pipe free.

Circ w/ one pump, work pipe, flow check well, no flow.

Drill 8-3/4" hole f/ 3701' to 3806', 105' / 2.5 hrs, 42.0 fph.

Drill f/ 3806' to 3869', 63' / 1.5 hrs, 42.0 fph in White Rim sand.

Circ hole clean, raise mud weight in pre mix tank to 12.6 ppg (for +0.3 ppg trip margin).

Installed / changed out new union & transducer on stand pipe for teledrift survey unit.

Spot 12.6 ppg mud in hole.

TOOH w/ bit to 2435', inside casing shoe @ 2545'.

Monitor well for flow, no flow.

MW 12.2, VIS 55, WL 14.0

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1324' in 33 hrs, ROP 40.1

Survey:

MD Angle

3868 1.00

Finish TOOH, check for flow, no flow.

Clean up / wash down BOP stack. Pull flowline.

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/01/2007 Current Depth: **3,869** Daily Cost: **\$35,043** AFE Cost to Date: **\$948,120**

Current Status: **RAISE MUD WT TO KILL WELL**

Pulled off rotating head & flowline. Closed blind rams on BOP, unbolt top of 11"- 5M annular preventor. Changed rubber sealing element inside annular preventor. RU Single Jack Testing service. Opened HCR valve & blind rams. Well started flowing, could not set test plug in wellhead to test annular preventor. Well flowing 1.5" stream out choke line w/ 120 psi on gauge.

Pulled flowline (no valves on flow line) back to rotating head. Ordered double box bit sub bored for float valve. Lay line f/ auto choke on manifold to pre mix mud tank to monitor & gauge mud returns. Made up new bit, bit sub w/ float, 1-jt DP, HWDP & regular DP & strip in hole. Recovered mud through choke manifold to pre mix mud tank. Water broke into mud column, turned to straight water, diverted water through choke to reserve pit. Continue stripping in hole w/ bit to 3638'. Closed annular & pulled rubber out of rotating head. Lubricate annular rubber w/ motor oil, rotating string @ 20 RPM.

10/02/2007 Current Depth: **3,869** Daily Cost: **\$42,302** AFE Cost to Date: **\$990,422**

Current Status: **TIH W/ DRILLING BHA**

Circ & condition surface mud volume, raise mud weight to 12.9+ ppg. Pump kill weight mud down DP w/ returns through choke. Well dead, flow check well. PU new DP & TIH to 3689', hit tight hole. Circ & condition mud through full open choke to mud pits, keeping mud wt @ 12.9 ppg. Installed flowline off rotating head, finish circ & conditioning over shakers. Mix & spot 50 bbl pill of 13.5 ppg heavy slug mud down DP. TOO, filling pipe every 3 stands, no over pull, no tight spots, no flow. TIH w/ drilling BHA.

10/03/2007 Current Depth: **4,040** Daily Cost: **\$48,986** AFE Cost to Date: **\$1,039,408**

Current Status: **PREP TO TOO**

TIH, tag tight hole @ 3716'.

Wash & ream f/ 3700' to 3869' w/ full circulation, no loss, no flow.

Drill 8-3/4" hole f/ 3869' to 3933', 64' / 3 hrs / 21.3 fph in Cutler.

Drill f/ 3933' to 4005', 72' / 6.0 hrs, 12.0 fph, hard sandstone.

Drill f/ 4005' to 4016', 11' / 2.0 hrs, 5.5 fph.

Drill f/ 4016' to 4040', 24' / 3.0 hrs, 8.0 fph.

MW 12.7, VIS 41, WL 15.0

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1495' in 44 hrs, ROP 34.0

Survey:

MD	Angle
3996'	1.50

10/04/2007 Current Depth: **4,110** Daily Cost: **\$46,665** AFE Cost to Date: **\$1,086,073**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4040' to 4058', 18' / 2.5 hrs, 7.2 fph.

Circ hole clean, mix & pump 30 bbls 13.5 ppg dry job slug down DP.

TOOH, no flow, hole took proper fill up.

Change bits, PU bit #4.

TIH to 3998'. Precautionary wash & ream to 4058', no fill on bottom, no tight spots.

Drill f/ 4058' to 4083', 25' / 5.5 hrs, 4.5 fph.

Drill f/ 4083' to 4110', 27' / 6.0 hrs, 4.5 fph in Cutler.

MW 13.0, VIS 44, WL 14.0

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', out @ 4058', made 1513' in 46.5 hrs, ROP 32.5

REED Bit #4, 8 3/4", R27P, in @ 4058', made 52' in 11.5 hrs, ROP 4.5

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/05/2007 Current Depth: **4,221** Daily Cost: **\$29,326** AFE Cost to Date: **\$1,115,399**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4110' to 4114', 4' / 1.25 hrs, 3.2 fph. Drill f/ 4114' to 4116', 2' / 0.5 hr, 4.0 fph. Circ bottoms up, pump 30 bbls, 13.5 ppg dry job slug. TOOH. Break off bit & LD mud motor. Re-nozzle bit, make up bit, bit sub & teledrift. TIH, precautionary wash & ream f/ 4085' to 4116', no fill, no tight spots, no flow. Drill 8-3/4" hole f/ 4116' to 4157', 41' / 5.5 hrs, 7.5 fph. Drill f/ 4157' to 4221', 64' / 6.0 hrs, 10.7 fph in Cutler. MW 13.0, VIS 55, WL 12.0
SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', out @ 4058', made 1513' in 46.5 hrs, ROP 32.5
REED Bit #4, 8 3/4", R27P, in @ 4058', made 163' in 24.75 hrs, ROP 6.6

10/06/2007 Current Depth: **4,395** Daily Cost: **\$34,613** AFE Cost to Date: **\$1,150,012**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4221' to 4225', 4' / 1 hr, 4.0 fph. Lost pump pressure, pres down to 400 psi. Work on both mud pumps bad valves in both pumps.
Drill f/ 4225' to 4232' w/ one mud pump, 7' / 1.5 hrs, 4.7 fph.
Drill f/ 4232' to 4305', 73' / 8.0 hrs, 9.1 fph.
Drill f/ 4305' to 4346', 41' / 6.0 hrs, 6.8 fph.
Drill f/ 4346' to 4395', 49' / 6.0 hrs, 8.2 fph in Cutler. MW 13.0, VIS 55, WL 14.0

REED Bit #4, 8 3/4", R27P, in @ 4058', made 337' in 47.25 hrs, ROP 7.1

10/07/2007 Current Depth: **4,481** Daily Cost: **\$39,972** AFE Cost to Date: **\$1,189,984**

Current Status: **TIH W/ NEW BIT.**

Drill f/ 4474' to 4481', 7' / 2.0 hrs, 3.5 fph.
Drill 8-3/4" f/ 4395' to 4474', 79' / 11.5 hrs, 6.9 fph. TOOH. TIH w/ bit #5.

MW 13.1, VIS 61, WL 11.7

REED Bit #4, 8 3/4", R27P, in @ 4058', OUT @ 4481', made 423' in 61.00 hrs, ROP 6.9
REED Bit #5, 8 3/4", R27P, in @ 4,481'.

10/08/2007 Current Depth: **4,481** Daily Cost: **\$13,198** AFE Cost to Date: **\$1,203,182**

Current Status: **REPAIR RIG.**

TIH w/ bit #5 to 4437'. Troubleshoot & attempted to repair #1 mud pump (clutch was burned up). Dumped 20 sx barite @ pump suction & TOOH to 2476' inside of 9-5/8" casing shoe. Repaired clutch & drive coupling on premix tank centrifugal pump. Replaced active system hopper centrifugal pump. Replaced clutch plates in #1 mud pump motor (#1 mud pump clutch would not engage fully). Troubleshoot & attempted to repair #1 mud pump. (pneumatic clutch solenoid was broken & bypassing air). Wait on pneumatic clutch solenoid. Raised mud weight in active to 13.1 ppg & mixed mud in premix pit.

MW 12.9, VIS 50, WL 13.0

REED Bit #5, 8 3/4", R27P, in @ 4,481'.

10/09/2007 Current Depth: **4,517** Daily Cost: **\$23,581** AFE Cost to Date: **\$1,226,763**

Current Status: **DRILLING**

Wait on pneumatic clutch solenoid. Found that clutch plates on #1 mud pump were installed too tight. Reinstall clutch plates properly & reroute air lines through pneumatic clutch solenoid.
TIH to 4437'. Precaution wash & ream f/ 4437' to 4481', had 1.5' of fill. Drill 8-3/4" hole f/ 4481' to 4492', 11' / 6.0 hrs, 1.8 fph. Drill f/ 4492' to 4517', 25' / 5.5 hrs, 4.5 fph in Cutler.
MW 13.2, VIS 61, WL 13.0
REED Bit #5, 8 3/4", R27P, in @ 4,481', made 36' in 11.5 hrs, ROP 3.1.

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: 1-EXP DRILLING

10/10/2007 Current Depth: 4,593 Daily Cost: \$30,821 AFE Cost to Date: \$1,257,584

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4517' to 4537', 20' / 1.5 hrs, 13.3 fph.
Drill f/ 4537' to 4560', 23' / 7.0 hrs, 3.3 fph.
Dry out & adjust drawworks brake bands.
Drill f/ 4560' to 4579', 19' / 7.5 hrs, 2.5 fph.
Drill f/ 4579' to 4580', 1' / 0.5 hr, 2.0 fph.
Drill f/ 4580' to 4581', 1' / 0.5 hr, 2.0 fph.
Change 2-swabs, 1-liner & packing in #1 mud pump/ 2 hrs.
Drill f/ 4581' to 4593', 12' / 3.5 hrs, 3.4 fph.
MW 13.0, VIS 53, WL 13.0
REED Bit #5, 8 3/4", R27P, in @ 4,481', made 112' in 32 hrs, ROP 3.5.
Survey:
MD Angle
4496 0.75

10/11/2007 Current Depth: 4,596 Daily Cost: \$16,708 AFE Cost to Date: \$1,274,292

Current Status: **TOOH**

Drill 8-3/4" hole f/ 4593' to 4596', 3' / 1 hr, 3.0 fph in Cutler.
Change swab in #2 mud pump, found hole in mud line spool just below standpipe connection.
RU hose to bypass standpipe, mix & pump slug.
TOOH to 2377' inside of 9-5/8" casing shoe.
Wait on welder & new mud line pipe. Remove bad mud line spool & check both mud pumps.
Build new mud line. Install new pneumatic clutch solenoid on #1 mud pump motor.
Build & install new mud line f/ mud pump bumper hose to standpipe in subbase.
Test new mud line against upper kellycock to 3000psi for 10 min, OK.
Install fillup & cellar jet lines. Repair pop off valve on #2 mud pump.
TOOH for PDC bit & mud motor.
MW 13.1, VIS 50, WL 11.0
REED Bit #5, 8 3/4", R27P, in @ 4,481', made 115' in 33 hrs, ROP 3.5.

10/12/2007 Current Depth: 4,757 Daily Cost: \$51,003 AFE Cost to Date: \$1,325,295

Current Status: **DRILLING**

TOOH for PDC bit & mud motor.
LD bit #5, bit sub & teledrift sub.
PU bit #6, mud motor & teledrift sub.
TIH to 4561', make up kelly & break circ. Precautionary wash & ream f/ 4561' to 4596', had 3' of fill.
Drill 8-3/4" hole f/ 4596' to 4690', 94' / 7.5 hrs, 12.5 fph.
Drill f/ 4690' to 4757', 67' / 6 hrs, 11.2 fph.
MW 12.9, VIS 53, WL 13.0
REED Bit #5, 8 3/4", R27P, in @ 4,481', out @ 4596', made 115' in 33 hrs, ROP 3.5.
SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 161' in 13.5 hrs, ROP 11.9'

10/13/2007 Current Depth: 4,953 Daily Cost: \$46,142 AFE Cost to Date: \$1,371,437

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4757' to 4789', 32' / 6.5 hrs, 4.9 fph. Drill f/ 4789' to 4914', 126' / 11.0 hrs, 11.5 fph. Drill f/ 4914' to 4953', 39' / 6.0 hrs, 6.5 fph.

MW 13.0, VIS 45, WL 15.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 357' in 37.0 hrs, ROP 9.6.

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/14/2007 Current Depth: **5,072** Daily Cost: **\$32,544** AFE Cost to Date: **\$1,403,981**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4953' to 4979', 26' / 3.5 hrs, 7.4 fph. Drill f/ 4979' to 5011', 32' / 3.0 hrs, 10.7 fph. Circ & teledrift survey @ 4968' on 2nd try, worked stuck pipe free after survey/ 5 min.

Drill f/ 5011' to 5035', 24' / 7.0 hrs, 3.4 fph. Drill f/ 5035' to 5048', 13' / 2.5 hrs, 5.2 fph. Drill f/ 5048' to 5072', 24' / 6.0 hrs, 4.0 fph in Cutler.

MW 13.1, VIS 44, WL 16.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 476' in 59.0 hrs, ROP 8.1.

MD ANGLE
4968' 3.00

10/15/2007 Current Depth: **5,262** Daily Cost: **\$37,495** AFE Cost to Date: **\$1,441,476**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 5072' to 5105', 33' / 7.5 hrs, 4.4 fph. Drill f/ 5105' to 5122', 17' / 2.5 hrs, 6.8 fph. Drill f/ 5122' to 5203', 81' / 6.5 hrs, 12.5 fph. Drill f/ 5203' to 5262', 59' / 6.0 hrs, 9.8 fph in Cutler.

MW 13.1, VIS 58, WL 10.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 666' in 81.5 hrs, ROP 8.2.

10/16/2007 Current Depth: **5,296** Daily Cost: **\$37,369** AFE Cost to Date: **\$1,478,845**

Current Status: **PREP TO PUMP BLACK MAGIC DOWN HOLE**

Drill 8-3/4" hole f/ 5262' to 5296', 34' / 5.0 hrs, 6.8 fph.

Circ & teledrift survey twice @ 5245'. Worked stuck pipe loose after each survey.

Service rig. Pipe stuck w/ kelly bushing above rotary table after servicing rig.

Work & jar on stuck pipe. Jar down & intermittantly attempt to rotate pipe in table w/ DC slips.

Work & jar on stuck pipe while mixing & weighting up Black Magic.

MW 13.1, VIS 47, WL 17.0

Survey:

MD Angle
5245 3.00

10/17/2007 Current Depth: **5,296** Daily Cost: **\$54,255** AFE Cost to Date: **\$1,533,100**

Current Status: **PUMP BLACK MAGIC**

Work & jar on stuck pipe while mixing & weighting up Black Magic.

Spotted 46 bbls of 13.0 ppg Black Magic (15 bbls Black Magic inside pipe & calc top outside pipe @ 4640').

Placed 95K# down weight w/ 2-1/2 wraps of torque in pipe.

Pumped & moved 1 bbl Black Magic every hour/ 10 hrs.

Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour/ 2 hrs (calc top of Black Magic @ 4491').

Work & jar on stuck pipe while waiting on Black Warrior wireline.

Pumped & moved 1bbl Black Magic every hour/ 2 hrs.

U Black Warrior wireline.

RIH to 4503' w/ freepoint tool, stop & check @ 3004' / 100% free.

Freepoint @ 4503', 4314', 4259' & 4190' (1st jt HWDP below jars) / all 100% stuck.

Freepoint @ 3004' / 100% free, 3802' / 75% free, 4016' / 55% free & 4127" (1st HWDP above jars) / 50% free.

POOH & RD Black Warrior wireline.

Pumped Black Magic 840' up hole w/ 1230 pump strokes. Calc top of Black Magic @ 3651' & calc bottom @ 4491'.

Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 2 hrs.

MW 13.1, VIS 50, WL 15.0

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/18/2007 Current Depth: **5,296** Daily Cost: **\$70,386** AFE Cost to Date: **\$1,603,486**

Current Status: **WORKING & JARRING STUCK PIPE WHILE RU WACO MUD CLEANER**

Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 3 hrs. Work & jar stuck pipe while Swaco RU mud cleaner & pumps/ 21 hrs. Finished mixing new batch of 13.0 ppg Black Magic @ 3:00 AM. Plan to lower solids & water loss in mud & spot Black Magic across BHA.

10/19/2007 Current Depth: **5,296** Daily Cost: **\$64,540** AFE Cost to Date: **\$1,668,026**

Current Status: **WORK & CIRC PIPE WHILE MIXING BLACK MAGIC**

Work & jar stuck pipe while circ hole & Swaco RU mud cleaner & pumps/ 7.5 hrs.
Work pipe intermittantly while circulating & conditioning mud/ 6.5 hrs. Ran mud cleaner for 3 hrs.
Start pumping Black Magic downhole. Pumped 424 strokes (16 bbls) & found premix tank empty. Discovered that 87 bbls Black Magic leaked by a closed suction valve back into the suction pit (active pits completely full). Dump sandtrap to lower pit volume. Work & jar stuck pipe every 30 min while circulating hole. Start filling premix tank w/ diesel to mix another 103 bbl batch of Black Magic. Work & jar stuck pipe every 30 min while circ hole/ 6 hrs.

MW 13.0; Vis 42; API WL 6.0

10/20/2007 Current Depth: **5,296** Daily Cost: **\$71,000** AFE Cost to Date: **\$1,739,026**

Current Status: **WORK & JARRING STUCK PIPE**

Work & jar stuck pipe every 30 min while circulating hole, finish adding barite to Black Magic, 13.0 ppg. Spot 103 bbls of 13.0 ppg Black Magic (25 bbls inside pipe & calc top outside pipe @ 3780'.
Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 6 hrs. Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour/ 14 hrs.
MW 13.0, VIS 44, WL 5.2

10/21/2007 Current Depth: **5,296** Daily Cost: **\$62,010** AFE Cost to Date: **\$1,801,036**

Current Status: **PU 6 1/2" DRILL COLLARS**

Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour / 3 hrs.
Inspect derrick after repeated jarring, OK
RU Black Warrior wireline.
RIH w/ freepoint tool & found 3516' / 100% free, 3868' / 90% free, 4021' (5 jts down in HWDP) / 65% free, 4145' (1st HWDP above jars) / 45% free & 4206' (1st HWDP below jars) / 100% stuck.
POOH w/ freepoint tool & make up string shot #1. RIH & attempt back off @ 4133' WLM / 4139' DPM, no back off. POOH.
Make up string shot #2. RIH & attempt back off @ 4133' WLM / 4139' DPM, no back off. POOH. Make up string shot #3.
RIH & back off @ 4045' WLM / 4047' DPM (4 jts HWDP above jars). POOH & RD Black Warrior wireline. Pump slug & TOOH w/ 5-stands DP. Drill pipe slips not holding, 1-slip die was broken. Replaced all slip dies w/ new dies / 1.5 hrs. TOOH w/ 36-stands DP & 5 jts HWDP. Fish left in hole: Bit, mud motor, teledrift sub, (3) 6-1/2" DC, (30) 4-1/2" HWDP, 6-1/2" jars, (4) 4-1/2" HWDP, total 1210.80'. PU 8-1/8" washpipe BHA.
MW 13.0, VIS 45, WL 5.2

10/22/2007 Current Depth: **5,296** Daily Cost: **\$50,675** AFE Cost to Date: **\$1,851,711**

Current Status: **WO WASHOVER SHOE**

Continue PU 8-1/8" washpipe BHA.
TIH w/ 1-stand of 4-1/2" HWDP & install rotating head rubber.
TIH w/ 8-1/8" washpipe BHA using a wet plug & checking every connection. LD top jt on last 3 stands.
Make up kelly & wash to top of fish @ 4047'.
Wash & ream over top of fish @ 4047' to 4049'. Torque went away, unable to make any further headway.
Mix & pump slug, stand back kelly.
TOOH w/ washpipe BHA #1. Washover shoe was worn badly & marked w/ 3 distinct rings where it had been run on the top of the fish.
Access washshoe markings & discuss forward plan.
Wait on cut-rite dressed 30 deg mule shoe washover shoe / 5.5 hrs.
MW 13.1, VIS 50, WL 5.2

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/23/2007 Current Depth: **5,296** Daily Cost: **\$39,081** AFE Cost to Date: **\$1,890,792**

Current Status: **TOOH**

Wait on cut rite dressed 30 deg mule shoe washover shoe. Weatherford delivered a crippled castle shoe. Make up 8-1/8" washpipe BHA w/ 8-3/8" crippled castle shoe & 2 jts washpipe.
TIH w/ 1-stand of 4-1/2" HWDP & install rotating head rubber. TIH, slowly, w/ 8-1/8" washpipe BHA #2 using a wet plug to 4007'. Make up kelly & wash to top of fish @ 4047'.
Wash & work w/ kelly to top of fish @ 4047'. String taking weight & rotary table torquing up.
Wash & work w/ kelly over top of fish @ 4047' @ 12:45 AM down to 4079'.
Make connection. Wash & work without kelly over top of fish @ 4047' @ 1:20 AM & down to 4110'. Circ bottoms up, mix & pump slug. Stand back kelly. TOOH slowly w/ washpipe BHA #2.
MW 13.0, VIS 54, WL 4.4

10/24/2007 Current Depth: **5,296** Daily Cost: **\$67,859** AFE Cost to Date: **\$1,958,651**

Current Status: **TIH W/ WASHPIPE BHA #3**

TOOH slowly w/ washpipe BHA #2. PU 1 jt washpipe & stand back 1-stand washpipe.
PU fishing BHA #3: 8-1/8" overshot w/ 6-1/4" mill control & grapple, pump out sub dressed w/ 1500 psi disc, bumper sub & fishing jars.
TIH w/ 2-stands 6-1/4" DC & 1-stand 4-1/2" HWDP. Install rotating head rubber.
TIH to 4011'.
PU 4-1/2" pup jt & 1jt 4-1/2" DP. Make up kelly & wash to 4050', tagged TOF 3' deep.
Slid over top of fish @ 1:10 PM on 1st try & secured grapple by working pipe f/ 165K# to 75K#. Stand back kelly.
RU Black Warrior wireline. Made dummy run w/ 1-11/16" sinker bars to 5132'. POOH.
RIH & freepoint w/ stretch readings @ 4123' / 80% free, 4201' / 100% stuck, 4180' / 100% stuck, 4162' / 70% free w/ stretch & 80% free w/ torque.
Make up string shot. RIH & back off @ 4135' WLM / 4139' DPM @ 1 jt HWDP above jars.
POOH & RD Black Warrior wireline.
LD 1 jt 4-1/2" DP & 4-1/2" pup jt, pump slug.
Chain out of hole w/ 8-1/8" overshot & fishing assembly.
Remove overshot & LD fish, recovered 3 jts 4-1/2" HWDP. LD overshot & pumpout sub.
PU 8-1/8" washpipe BHA #3 w/ 35 deg Cripple shoe.
TIH w/ 8-1/8" washpipe BHA #3 using a wet plug, checking every connection. Current TOF @ ~4139'.
MW 13.0, VIS 51, WL 4.4

10/25/2007 Current Depth: **5,296** Daily Cost: **\$40,928** AFE Cost to Date: **\$1,999,579**

Current Status: **CHAIN OUT W/SCREW IN SUB FISHING ASSEMBLY**

TIH w/ 8-1/8" washpipe BHA #3 using wet plug & checking every connection. LD top jt on last 3-stands.
Make up kelly & wash to top of fish @ 4139'.
Attempt to wash over top of fish w/ kelly bushings 1' above rotary table, no good.
Single down 1jt DP w/ kelly & replace w/ 14.73' DP pup jt.
Wash & work over top of fish w/ kelly @ 4139'. Wash & ream down to 4263'.
Circ bottoms up, mix & pump slug. Stand back kelly.
TOOH slowly to washpipe BHA #3.
LD jars, bumper sub, 1 jt washpipe & crippled washover shoe. Stand back 1-stand of washpipe.
PU 4-1/2" XH screw in sub BHA #1. TIH w/ 2-stands 6-1/4" DC & 1-stand 4-1/2" HWDP.
TIH to 4106'.
PU 1 jt DP & make up kelly. Wash f/ 4106' to 4139' & screw into top of fish.
Stand back kelly & RU Black Warrior wireline.
Make up string shot. RIH & back off @ 4233' WLM / 4232' DPM (1 jt HWDP below drilling jars).
POOH. RD Black Warrior wireline.
LD 1 jt 4-1/2" DP & 4-1/2" pup jt. Pump slug.
Chain out of hole w/ 4-1/2" XH screw in sub & fishing assembly.
MW 13.0, VIS 52, WL 4.4

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/26/2007 Current Depth: **5,296** Daily Cost: **\$0** AFE Cost to Date: **\$1,999,579**

Current Status: **MONITORING WELL & WO ANNULAR RUBBER**

Chain out of hole w/ 4-1/2" XH screw-in sub & fishing assembly. Break out screw-in sub & LD fish, recovered 2 jts 4-1/2" HWDP & drilling jars. LD screw in & pumpout sub. Make up 8-1/8" washpipe BHA #4 w/ reverse sawtooth shoe. TIH w/ 8-1/8" washpipe BHA #4 using a wet plug & checking every connection to 4227'. Make up kelly. Attempt to wash over top of fish w/ kelly bushings 3' above rotary table, no good. Single down 1-jt DP w/ kelly & replace w/ 14.73' DP pup jt. Wash & work over top of fish w/ kelly @ 4232'. Wash & ream down to 4292'. Wash & ream @ 4292' for 1 hr w/ no progress. Mix & pump slug. Stand back kelly. LD 2-jts 4-1/2" DP & 4-1/2" pup jt. TOO H w/ 5-stands DP & attempt to fill hole. Blew pop offs on each pump individually. Investigate reason for blown pop off valves. Found that kill line valve was staying closed even w/ stem in open position. Move kill line to wellhead outlet to fill pipe while TOO H. TOO H w/ 5-stands DP fill hole. First 2 fill ups took 3/4 bbl less than calculated. Check well for flow for 15 min, no flow. TOO H to 2294' (inside 9-5/8" surface casing). Pull cap on kill line check valve to attempt to inspect kill line valve, no good. Install check valve cap. TOO H to washpipe BHA #4. Mousehole jars & bumper sub, stand back 3 jts & LD 1 jt washpipe. Attempt to set test plug in wellhead to change out kill line valve. Annular rubber was torn up so badly that the test plug would not go through. Fill hole & monitor well while looking for an annular rubber.

MW 13.0, VIS 49

10/27/2007 Current Depth: **5,296** Daily Cost: **\$1,997** AFE Cost to Date: **\$2,001,576**

Current Status: **INSTALLING KILL LINE VALVE & CHECK VALVE**

Work on mud pumps & perform rig maintenance while waiting on new annular element. Monitor fluid level & check for flow, fluid level dropped 2' in 9 hrs. Close BOP blind rams. Remove flowline connection & annular bonnet nuts. Lift rotating head & bonnet. Remove bad annular rubber. Clean annular body, bonnet & studs. Prepare to install new annular element. Element arrived @ 8:30 PM. Install new annular element. Replace annular bonnet & reconnect flowline connection. RU Single Jack Testing & attempt to run test plug through annular preventor. Rubber was slightly protruding into annular bore, test plug would not pass. Function annular preventor 8 - 10 times & the amount of rubber protruding into the annular bore increased to 2" all the way around.

Found closing side accumulator line fitting broken. Replaced closing side fitting on annular preventor & functioned annular several times, annular opened good. Opened wellhead valve & set test plug, had to work test plug through new annular element. Removed kill line valve & check valve. Installed new kill line valve & old check valve.

MW 13.0, VIS 48, WL 4.3

10/28/2007 Current Depth: **5,296** Daily Cost: **\$36,456** AFE Cost to Date: **\$2,038,032**

Current Status: **TIH W/ SCREW IN SUB BHA #2**

Finish tightening nuts on on kill line valves. Pres test annular to 250 psi low / 2500 psi high, OK. Prest test kill line valves to 250 psi low / 5000 psi high against pipe rams. RD Single Jack testers. Line up choke & kill line valves & install fill up line.

Make up 8-1/8" washpipe BHA #5 w/ wavy scallop shoe.

TIH w/ 8-1/8" washpipe BHA #5 using wet plug to 4232'. Make up kelly.

Wash & work over top of fish @ 4232' w/ kelly. Wash & ream down to 4292'.

Wash & ream f/ 4292' to 4294' in 1-1/2 hrs. Wash & ream f/ 4294' to 4352' in 2.5 hrs.

Mix & pump slug, stand back kelly. TOO H slowly to washpipe BHA #5. LD jars, bumper sub, 1 jt washpipe & wavy scallop washover shoe. Stand back 1-stand washpipe.

PU 4-1/2" XH screw in sub BHA #2 & TIH w/ 2-stands 6-1/4" DC & 1-stand 4-1/2" HWDP. TIH to 3848'.

10/29/2007 Current Depth: **5,296** Daily Cost: **\$46,644** AFE Cost to Date: **\$2,084,676**

Current Status: **MAKE UP WASH OVER BHA**

TIH w/ screw in sub to 4228'.

Make up kelly. Wash f/ 4228' to 4232' & screw into top of fish.

Beat down on fish w/ bumper sub to 90K# & jar up on fish w/ 220K#, pulling to 240K#/ 10.5 hrs.

RU Black Warrior wireline. Run free point, found pipe 98% stuck @ 4389', free @ 4348' tool joint. POOH. Make up back off shot. RIH & backed off pipe @ 4355' pipe measurement, 4348' wireline measurement. Pump 20 bbls slug & TOO H, chain out. Fill hole every 5-stands.

LD fish #3: 4 jts 4-1/2" HWDP.

MW 13.0, VIS 51, WL 4.3

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/30/2007 Current Depth: **5,296** Daily Cost: **\$28,771** AFE Cost to Date: **\$2,113,447**

Current Status: **FREE POINT & BACK OFF DRILL STRING**

Finish LD fishing tools. PU & ran 5 jts (150.68') of 8.125" washover pipe. TIH to 4350', checking each connection in string. Precautionary wash & ream to top of fish @ 4355'. Wash over top of fish. Continue washing over fish, set down on wash pipe drive sub @ 4510'. Washed over fish w/ no restrictions on last 20' f/ 4490' to 4510'. Circ hole clean, pump 20 bbls 14 ppg slug. TOO, filling hole every 5 stands (dry). Make up screw in BHA & TIH to 4350'. Circ & screw into top of fish @ 4355'. Set off jars, no movement in fish. RU Black Warrior wireline to run free point & back off stuck drill string. MW 13.05, VIS 54, WL 4.0

10/31/2007 Current Depth: **5,296** Daily Cost: **\$56,287** AFE Cost to Date: **\$2,169,734**

Current Status: **SPOTTING CEMENT PLUGS TO P & A.**

Jar down w/ 90K# & up w/ 220K# on fish, no movement. RU Black Warrior wireline. RIH w/ free point tools. Found fish 50% stuck @ 4495' & free @ tool jt @ 4478'. RIH w/ back off shot & backed off @ 4478'. 4 jts 4-1/2" HWDP ready to recover. RD Black Warrior wireline. Decision was made to P&A well, top of fish @ 4478'. Chained out of hole, filling hole every 5-stands. LD 4 jts 4-1/2" HWDP recovered in fishing operations. Clean off cat walk, LD fishing tools. Load out all Weatherford fishing tools & move off location. LD 2-stands DC, 2-stands 4-1/2" HWDP out of derrick & move off cat walk.

Run 4-1/2" open ended DP out of derrick in hole to 3894'. PU 18 jts DP & TIH to 4465'. Circ hole @ 80 spm w/ 400 psi, condition hole for P&A cement plugs. Wait on Halliburton to arrive. RU Halliburton. Pres test pump & lines to 1500 psi. Pump 8 BW ahead of 13.38 bbls / 75 cf / 64 sks Class G cement (15.8 ppg) w/ 2% CaCl2. Displace / equalize plug w/ 2 BW & 57 bbls 13.0 ppg mud. CIP @ 6:30 AM, 10/31/07. Pulled out of top of cement @ 4315'. Pulled DP up to 4133' & circ

11/01/2007 Current Depth: **5,296** Daily Cost: **\$313,738** AFE Cost to Date: **\$2,483,472**

Current Status: **SPOT CEMENT PLUGS TO P&A WELL**

Circ @ 3799' w/ 1 pump @ 80 spm. Wait on cement to harden / 3 hrs. RIH w/ DP & tag cement Plug #1 @ 4322' (witnessed by State of Utah). POOH & LD 13 jts 4-1/2" DP. RU Halliburton. Spot Plug #2 (across White Rim Sand 3650'-4050'): With pipe hanging @ 4050', pump 5 BW then 100 cf / 17.8 bbls / 85 sx Class G cement (15.8 ppg) w/ 2% CaCl2. Equalized plug w/ 2 BW & 48 bbls 13.0 ppg mud. Pulled DP up to 3830', pumped 5 BW then 100 cf / 17.8 bbls / 85 sx Class G (15.8 ppg) w/ 2% CaCl2. Equalized w/ 2 BW & 44 bbls 13.0 ppg mud. Pulled DP to 3133'. Circ @ 3133' w/ 1 pump @ 80 spm. Wait on cement to harden / 3 hrs. RIH w/ DP & tag cement Plug #2 too low @ 3784' (witnessed by State of Utah). State of Utah required setting another plug across the White Rim Sand. Pumped 5 BW then 67 cf / 12 bbls / 80 sx Class G cement (15.8 ppg) w/ 2% CaCl2. Equalized w/ 2 BW & 46 bbls 13.0 ppg mud. Pulled & LD DP to 3133', not required to tag top of plug. Circ DP & hole clean @ 80 spm w/ 1 pump @ 3133'. Pull & LD DP f/ 3133' to 2627'. Circ, wait on more Halliburton cement to arrive on location / 4 hrs. Spot Plug #3 (across 9-5/8" surface csg shoe f/ 2470'-2620'): With DP @ 2627', pump 5 BW then 76 cf / 13.6 bbls / 65 sx Class G cement w/ 2% CaCl2. Pulled up to 2056', circ & wait on cement / 3 hrs. RIH w/ DP & tag cement Plug #3 too low @ 2521'. Spot 50' cement plug w/ 100% excess on top of Plug #3 inside 9-5/8" csg.

11/02/2007 Current Depth: **5,296** Daily Cost: **\$342,996** AFE Cost to Date: **\$2,826,468**

Current Status: **RD UNITED RIG #41**

Spot cmt Plug #3B: With DP @ 2500', pump 5 BW, 6.5 bbls / 36.5 cf / 43 sx Class G (15.8 ppg) w/ 2% CaCl2. Equalize w/ 2 BW & 28 bbls 13.0 ppg mud, CIP @ 6:12 AM, 11/1/07. Pulled f/ 2500' to 2120', circ @ 40 spm to clean DP & hole. POOH, LD DP f/ 2500' to 126'. Circ & condition for surface plug. Spot Plug #4 (surface plug) f/ 126' to surface w/ 2 BW ahead of 9.7 bbls / 54.6 cf / 64 sx Class G (15.8 ppg) w/ 2% CaCl2. POOH & LD DP. Top off hole w/ cement to surface. Cement is just below wellhead. RD Halliburton. McKenna #21-32 plugged & abandoned 11/1/07. CIP @ 11:50 AM, 11/1/07. ND BOPE, pressure wash BOPE.

Well History

05-Nov-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**
Operator: **Cabot Oil & Gas Corporation**

AFE Number: **73606** Type: **AA**
Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

11/03/2007 Current Depth: **5,296** Daily Cost: **\$25,932** AFE Cost to Date: **\$2,852,400**

Current Status: **CLEAN MUD PITS & RD**

LD kelly, RD drill floor.

Transfer 13.0 ppg drilling mud f/ active mud pits to 500 bbl rental storage tank. Wait on orders for disposal.

Pressure wash mud pits.

Load & haul off 4 loads of United Drilling drill pipe.

Load out & haul off all rental survey equip.

Load 18 jts Thomas Tool 4-1/2" HWDP & haul off location.

Release & move off generator for mud cleaning equipment.

Cleaning, shovel out & pressure wash active mud pits.

11/04/2007 Current Depth: **5,296** Daily Cost: **\$31,864** AFE Cost to Date: **\$2,884,264**

Current Status: **LD DERRICK & PREP RIG TO MOVE**

Clean mud pits, load out United Drilling truck w/ BOP equipment.

Load out & haul off all rental tools & equip.

Load out & haul off 2 loads of UDI drill pipe & drill collars.

RD Swaco gas buster & set on side of location. Need a big crane to RD mud cleaner prior to moving rig.

Welder cut off 11"-5Mx9-5/8" casinghead & installed dry hole marker on top of cut off casing.

Released rig @ 6:00 PM, 11/3/07.

Project Type: **9-PLUGGED**

11/05/2007 Current Depth: **5,296** Daily Cost: **\$16,500** AFE Cost to Date: **\$2,900,764**

Current Status: **P & A'D 11-1-07 - FINAL REPORT**

LD derrick, unstring blocks, RD & drain all water & air systems.

Finished cleaning premix mud tank. Change 6" valves on mud pits.

UDI trucks hauled off all remaining drill pipe & drill collars.

Rig 100% ready to move.

Drop From Report. FINAL REPORT

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MININGAMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <u>TIGHT HOLE</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48351
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____
2. NAME OF OPERATOR: Cabot Oil & Gas Corp.		7. UNIT or CA AGREEMENT NAME Middle Mesa
3. ADDRESS OF OPERATOR: 600 17th St., Ste. 900N CITY Denver STATE CO ZIP _____		8. WELL NAME and NUMBER: McKenna 21-32
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 456' FNL & 1,686' FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		9. API NUMBER: 4303731863
PHONE NUMBER: (303) 226-9443		10. FIELD AND POOL, OR WMLDCAT Wildcat
11. QTR/QTR. SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 29S 25E		12. COUNTY San Juan
		13. STATE UTAH

14. DATE SPUDDED: 9/15/2007	15. DATE T.D. REACHED: 10/15/2007	16. DATE COMPLETED: 11-1-2007	ABANDONED <input checked="" type="checkbox"/> READY TO PRODUCE <input type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 6485 GL
18. TOTAL DEPTH: MD 5,296 TVD _____	19. PLUG BACK T.D.: MD _____ TVD _____	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)	

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	9-5/8" J-55	36#	0	2,545		820		0	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
	see attached Sundry Notice

29. ENCLOSED ATTACHMENTS:

- | | | | |
|--|--|---------------------------------------|---|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input type="checkbox"/> DIRECTIONAL SURVEY |
| <input checked="" type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: _____ | |

30. WELL STATUS:

P&A

(5/2000)

(CONTINUED ON BACK)

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DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION**INTERVAL A (As shown in Item #26)**

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)**33. SUMMARY OF POROUS ZONES (Include Aquifers):**

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT)

Rolando D. Benavides

TITLE

Contract Petroleum Engineer

SIGNATURE



DATE

12/13/2007

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL		5. LEASE DESIGNATION AND SERIAL NUMBER:	
OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER TIGHT HOLE WELL		ML-48351	
2. NAME OF OPERATOR:		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
Cabot Oil & Gas Corp.			
3. ADDRESS OF OPERATOR:		7. UNIT or CA AGREEMENT NAME:	
600 17th St., Ste 900N CITY Denver STATE CO ZIP 80202		Middle Mesa	
4. LOCATION OF WELL		8. WELL NAME and NUMBER:	
FOOTAGES AT SURFACE: 456' FNL & 1,686' FWL		McKenna 21-32	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 32 29S 25E		9. API NUMBER:	
STATE: UTAH		4303731863	
		10. FIELD AND POOL, OR WILDCAT:	
		Wildcat	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Attached is Cabot's report of the final plug and abandonment of McKenna #21-32. Below is a summary:

- 1) On 10/15/07 well was drilling at 5296' when drill string became differentially stuck. Fishing operations resulted in partial recovery. After 15 days of fishing operations, decision was made to plug and abandon the wellbore.
- 2) With top of fish at 4,478' a 64 sx 15.6 ppg Class G cement plug was set from 4465' to 4322'.
- 3) 13 ppg mud was pumped between all plugs.
- 4) A 250 sx Class G cement plug was set from 4050' to 3624'.
- 5) A 108 sx Class G cement plug was set from 2620' to 2434' across the surface casing shoe at 2545'. (9-5/8", 36#, J-55, LT&C surface casing had been set at 2545' and cemented to surface with 820 sx of cement.)
- 6) A 64 sx Class G surface cement plug was set in the 9-5/8 surface casing from 126' to surface.
- 7) The wellhead was cut off and a dry hole marker was welded on the casing.
- 8) The surface will be restored and reseeded.

NAME (PLEASE PRINT) <u>Rolando D. Benavides</u>	TITLE <u>Contract Petroleum Engineer</u>
SIGNATURE <u>[Signature]</u>	DATE <u>12/13/2007</u>

(This space for State use only)

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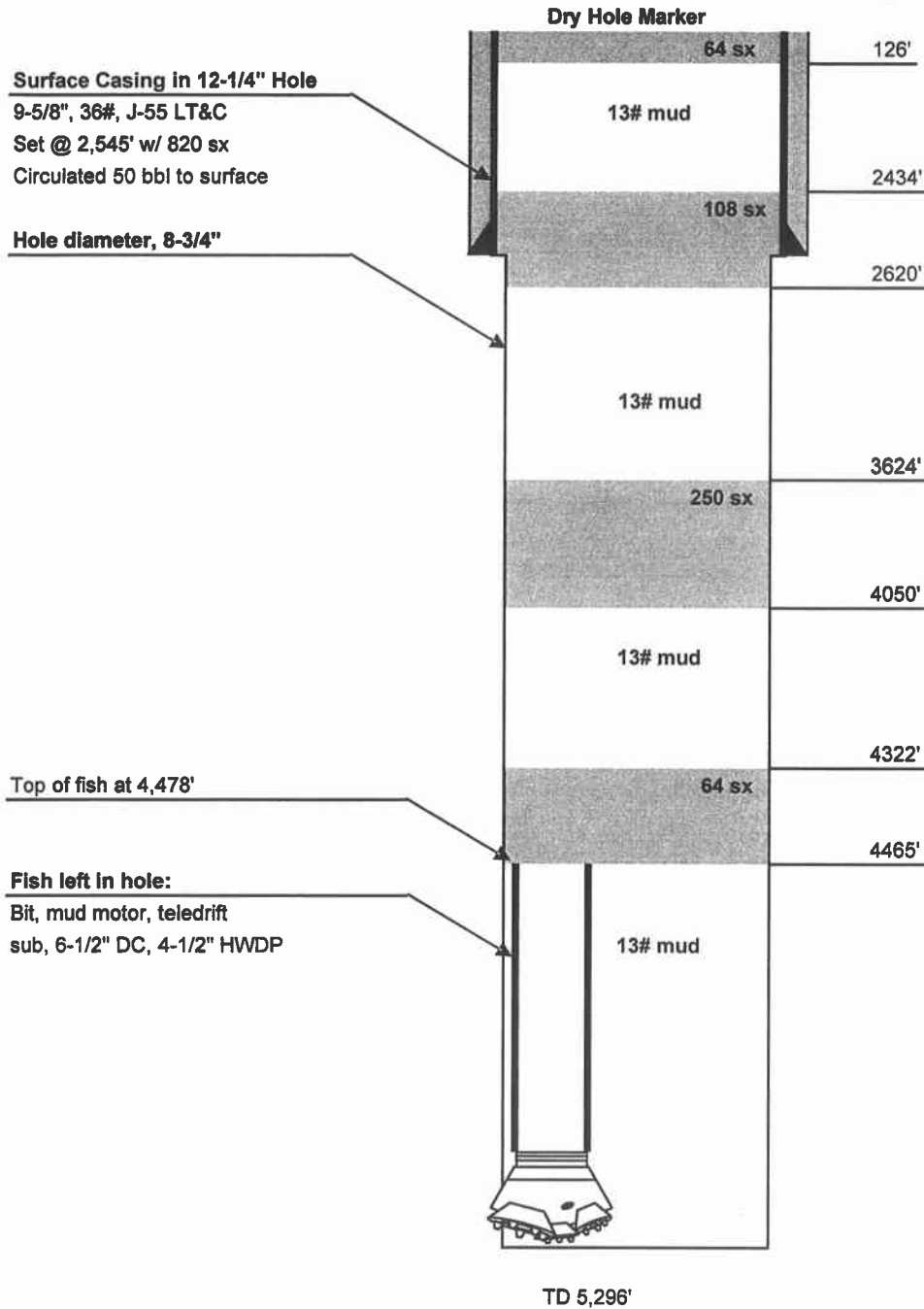
JAN 14 2008

Wellbore Diagram

Elev. GL: 6,485"

Spud: 09/15/07

P & A: 11/01/07



 Cabot Oil & Gas Corporation

McKenna # 21-32
456' FNL & 1,686' FWL
NENW Sec 32-T29S-R25E
San Juan County, Utah
API# 43-037-31863

12/11/07 R.D.B.

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

SAN JUAN County, UT

Spud Date: **09/15/2007**

Program Year: **2007**

Completion Date:

Location: **SECTION 32, T29S, R25E**

Prospect: **PARADOX**

P&A Date:

Formation: **ISMAY & HONAKER TRAIL**

Lease Number:

AFE DHC/CWC: **\$1,400,000 / \$2,150,000**

Date of First Prod:

Net AFE DHC/CWC: **\$1,050,000 / \$1,612,500**

Rig/Contractor: **UNITED RIG #41**

TD: **PBTD:**

Service Contractor:

Permit No:

Pipeline:

Drop Date: **11/05/2007**

API Number: **4303731863**

COGC WI / NRI: **75.00000% 67.50000%**

UWI:

BPO / APO: **75.00000% 75.00000%**

GL / KB Elev: **6505 / 0**

Rig Release: **11/03/2007**

Project Type: **1-EXP DRILLING**

09/09/2007 Current Depth: Daily Cost: **\$136,737** AFE Cost to Date: **\$136,737**

Current Status: **RIG UP UNITED RIG #41**

Location & reserve pit built, pit lined, fenced, and full of water. 20" conductor, rat & mouse hole set. Received 24 loads of United Drilling Rig #41 to location, spot & unload rig components on new location. Set sub-base & steel mud tanks.

09/10/2007 Current Depth: Daily Cost: **\$2,354** AFE Cost to Date: **\$139,091**

Current Status: **RIGGING UP**

Received 2 loads of rig components, assembled derrick (on the ground), set draw works on sub base, set mud pumps, generator house, water & fuel tanks. Released rig move trucks @ 12:00 noon, 9-Sept-07. A legs, cat walk, and traveling blocks will arrive today. Will set remainder of floor when A legs arrive. 75% RU.

09/11/2007 Current Depth: Daily Cost: **\$10,430** AFE Cost to Date: **\$149,521**

Current Status: **RIGGING UP UNITED RIG #41**

Finished RU mud / fluid system. Filled all steel pits w/ reserve pit water. Primed up mud system & check for leaks. Wait on A legs to finish RU. A legs were inspected on Monday, 9/10/07. Legs are scheduled to be shipped today, 9/11/07.

09/12/2007 Current Depth: Daily Cost: **\$3,945** AFE Cost to Date: **\$153,466**

Current Status: **RIGGING UP UNITED RIG #41**

Wait on A legs to finish RU. Legs will be on location today, 9/12/07.

09/13/2007 Current Depth: Daily Cost: **\$29,854** AFE Cost to Date: **\$183,320**

Current Status: **RIGGING UP UNITED RIG #41**

A legs arrived @ 5:00 p.m. Off loaded newly inspected A legs & installed on derrick.

09/14/2007 Current Depth: Daily Cost: **\$29,285** AFE Cost to Date: **\$212,605**

Current Status: **RIGGING UP UNITED RIG #41**

Set A legs on rig floor. Moved derrick in place & moved onto rig floor. Set cat walk, upper dog house & 500 bbl water tank in place below rig. Released rig move trucks @ 1:00 PM, 9/13/07. String up traveling blocks & rig up bridle lines. Should spud late today, 9/14/07.

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

09/15/2007 Current Depth: **83** Daily Cost: **\$28,126**

AFE Cost to Date: **\$240,731**

Current Status: **DRILLING**

Spud 9/15/07
12 1/4" hole

Raised derrick, welded on drilling nipple & NU flowline. RU drill floor & PU kelly.
OD, ID & strap BHA.

RU new kelly spinner.

Prime up all fluid pumps

Jet bit #1 & make up on 8" mud motor.

Spud 12-1/4" surface hole @ 4:00 AM, 9/15/07. Drill f/ 50' to 83', 33' / 2.0 hrs, 16.5 fph.

Lost 500 bbls water, add LCM. Extremely hard sandstone.

MW 8.4, VIS 26

REED Bit #1, 12 1/4", M4349P, in @ 50', made 33' in 2 hrs, ROP 16.5'

09/16/2007 Current Depth: **305** Daily Cost: **\$38,504**

AFE Cost to Date: **\$279,235**

Current Status: **DRILLING**

Drill 12-1/4" hole in hard sandstone f/ 83' to 88', 5' / 1.5 hrs, 3.3 fph.

Lost 100% circulation @ 88'. Pump 100 bbls premix gel w/ mica & cedar fiber LCM. Regain 100% circulation.

Drill f/ 88' to 120', 32' / 6.5 hrs, 4.9 fph, good circulation.

Drill f/ 120' to 136', 16' / 2.0 hrs, 8.0 fph.

Drill f/ 136' to 148', 12' / 1 hr, 12.0 fph.

Drill f/ 148' to 176', 28' / 2.0 hrs, 14.0 fph.

Drill f/ 176' to 188', 12' / 1.5 hrs, 8.0 fph.

Drill 12-1/4" hole in hard sandstone f/ 188' to 305', 117' / 6.0 hrs, 19.5 fph.

MW 8.4,

REED Bit #1, 12 1/4", M4349P, in @ 50', made 255' in 22.5 hrs, ROP 11.3'

09/17/2007 Current Depth: **763** Daily Cost: **\$30,652**

AFE Cost to Date: **\$309,887**

Current Status: **DRILLING**

Drill 12-1/4" hole in hard sandstone f/ 305' to 395', 90' / 3.0 hrs, 30.0 fph.

Drill f/ 395' to 498', 103' / 5.0 hrs, 20.6 fph.

Work tight hole @ 498', pump 25 bbl gel sweep.

Drill f/ 498' to 517', 19' / 0.5 hr, 38.0 fph.

Drill f/ 517' to 548', 31' / 1.5 hrs, 20.7 fph.

Drill f/ 548' to 658', 110' / 6.0 hrs, 18.3 fph.

Drill f/ 658' to 763', 105' / 6.0 hrs, 17.5 fph.

MW 8.4, VIS 28

REED Bit #1, 12 1/4", M4349P, in @ 50', made 713' in 44.5 hrs, ROP 16.0'

Survey:

MD	Angle
517	1.00

09/18/2007 Current Depth: **1,120** Daily Cost: **\$56,497**

AFE Cost to Date: **\$366,384**

Current Status: **DRILLING**

Drill from 763' to 793', ROP down to 12 fph. Pump sweep & circ hole clean. TOH, had tight hole from 670' to 480'. MU type 5-4-7 bit & TIH. Precautionary wash & ream from 700' to 793'. No fill on bottom, no tight hole. Drill from 793' to 1120'. ROP increased to 23 fph with new bit. WLS 1 deg at 1009'.

09/19/2007 Current Depth: **1,591** Daily Cost: **\$33,142**

AFE Cost to Date: **\$399,526**

Current Status: **DRILLING**

Drill from 1120' to 1591'. Drilled into softer formation at 1110' and ROP increased significantly. Lost complete returns at 1474', 1533' & 1568'. Was able to regain circulation each time with gel & LCM. Lost returns again at 1591', unable to regain circ or fill hole. POOH to let hole heal, LD motor & Teledrift tool, and increase LCM conc in mud system. WLS 1 deg at 1533'.

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

09/20/2007 Current Depth: 1,786 Daily Cost: \$46,185 AFE Cost to Date: \$445,711

Current Status: **DRILLING**

TOOH, LD 8" mud motor & teledrift tool.

Mix 20#/bbl LCM to 150 bbls pre-mix gel in pre-mix tank. Pump down & filled up hole, fluid static.

PU double box lead DC & make up bit #2.

TIH, break circ @ 800'. TIH to 1560', precautionary wash & ream f/ 1560' to 1591', no fill on bottom, no tight spots, 100% circulation. Bypassed shakers to keep LCM in system.

Drill f/ 1591' to 1616', 25' / 1 hr, 25.0 fph. Control drill due to losses w/ 1-pump only.

Lost circ (100%). Mix pre-mix gel & LCM @ 35%, pump 150 bbls, regain full circ.

Drill f/ 1616' to 1676', 60' / 2.0 hrs, 30.0 fph, lost 100% circ.

Mix & pump prehydrated gel & 30 #/bbl LCM. Regained full circ.

Drill f/ 1676' to 1683', lost 100% circ.

Mix & pump 150 bbls prehydrated gel & 30 #/bbl LCM. Regained full circ.

Drill f/ 1683' to 1702', 19' / 0.5 hr, 38.0 fph, full circ.

Drill f/ 1702' to 1722', 20' / 0.5 hr, 40.0 fph, lost 100% circ.

Mix & pump 130 bbls prehydrated gel & 30 #/bbl LCM. Regained full circ.

Drill f/ 1722' to 1754', 32' / 1 hr, 32.0 fph. Lost 100% circ.

Mix & pump 130 bbls prehydrated gel & 30 #/bbl LCM, regained full circ.

Drill f/ 1754' to 1786', 32' / 1 hr, 32.0 fph. Lost circ, attempt to regain circ.

09/21/2007 Current Depth: 2,080 Daily Cost: \$43,169 AFE Cost to Date: \$488,880

Current Status: **DRILLING**

Build up surface water volume in preparation to drill without returns. Drill from 1786' to 1817' with no circulation, got full circulation back at 1817'. Drill from 1817' to 2080' with full circulation. Bit jets plugged & blew pressure sensor off standpipe. POOH to unplug bit and repair standpipe. WLS ¼ deg at 2016'.

09/22/2007 Current Depth: 2,400 Daily Cost: \$30,251 AFE Cost to Date: \$519,131

Current Status: **DRILLING**

TOOH, unplug 2-jet nozzles in bit & repair stand pipe. TIH, precautionary wash & ream f/ 2050' to 2080'. No tight spots, no fill on bottom.

Drill 12-1/4" hole f/ 2080' to 2170', 90' / 6.0 hrs, 15.0 fph.

Drill f/ 2170' to 2247', 77' / 6.0 hrs, 12.8 fph.

Drill f/ 2247' to 2400', 153' / 6.0 hrs, 25.5 fph, 100% circulation.

Switched flow across shakers @ 5:00 AM to help locate top of Chinle formation (should be red in color).

HTC Bit #2, 12 1/4", HR-S30C, in @ 793', made 1,607' in 77.0 hrs, ROP 21.1.

MW VIS WL
8.6 45 15.0

09/23/2007 Current Depth: 2,545 Daily Cost: \$29,400 AFE Cost to Date: \$548,531

Current Status: **TOOH.**

Drill 12-1/4" hole f/ 2400' to 2495', 95' / 9.0 hrs, 10.6 fph. Top of Chinle @ 2470'. Drill f/ 2495' to 2510', 15' / 2.0 hrs, 7.5 fph.

Drill f/ 2510' to 2545', 35' / 6.0 hrs, 5.8 fph. Circ hole clean, full circulation. Wipe hole f/ 2545' to 230' to top of 6" DC, no excessive tight hole. Circ hole clean, full circulation across shaker.

TOOH to run surface casing.

HTC Bit #2, 12 1/4", HR-S30C, in @ 793', out @ 2,545', made 1,752' in 93.0 hrs, ROP 18.8.

MW VIS WL
8.6 45 15.0

MD ANGLE
2521' 0.50

Well History

BJ

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32** AFE Number: **73606** Type: **AA**
Operator: **Cabot Oil & Gas Corporation** Artesia Number: **430049001**

Project Type: 1-EXP DRILLING

09/24/2007 Current Depth: 2,545 Daily Cost: \$145,565 AFE Cost to Date: \$694,096

Current Status: NU BOPE.

TOOH, LD 8" DC & shock tool. RU casing crew & PU machine.

Ran 55 jts 9-5/8", 36#, J-55, LT&C casing w/ float shoe & float collar @ 2496'.

Ran 8-centralizers: one centralizer on first 3 jts, then one centralizer every other jt

Broke circulation @ 1200'. Landed 9-5/8" casing @ 2545' Circ casing w/ full circulation. RD casing crew & RU BJ Services.

Pres test pump & lines to 2500 psi. Pumped 30 bbls gel spacer, 10 BW, then lead cement: 271 sx / 725 cf / 134 bbls Premium

Lite FM w/ additives @ 11.0 ppg followed by tail cement: 549 sx / 770 cf / 137 bbls Type III w/ additives @ 14.5 ppg. Dropped top rubber plug & displaced w/ 193.5 BW. Bumped plug w/ 1250 psi, float held.

Had full returns, circ 50 bbls cement to surface. Monitor cement fall back in annulus, cement fell back 5' below rotary table.

Clean cellar, prep for welder. Weld on 11"-5Mx9-5/8" SOW casinghead. Pres test weld to 1000 psi. NU BOP stack.

9 5/8", 36#, J-55, LT & C
Landed @ 2545'.
271 sx
549 sx
820 sx
Cir 50 bbl to surf.

MW VIS WL
8.4 26 0.00

09/25/2007 Current Depth: 2,545 Daily Cost: \$30,626 AFE Cost to Date: \$724,722

Current Status: PRESSURE TEST BOPE.

NU 11"X5m BOP

Dump & clean LCM & cuttings out of mud pits. Fill pits w/ reserve pit water. NU rotating head.

Welder finished installing new choke line, kill line & vent lines to flare pit.

Changed liners in #1 & #2 mud pumps to 4-1/2".

09/26/2007 Current Depth: 2,545 Daily Cost: \$28,215 AFE Cost to Date: \$752,937

Current Status: PRESSURE TEST BOPE.

Finish installing new 4-1/2" liners in both mud pumps. Weld & connect flow line f/ rotating head to flow ditch. Pres test upper & lower rams, TIW valves, dart valve & floor TIW valves to 250 psi low/ 5 min & 5000 psi high/ 10 min. Floor TIW valve failed to test, have new one on the way. Set C22 test plug in FMC 11"-5M casinghead. New HCR valve arrived, installed on choke line side. Pres test casing to 1700 psi/ 30 min, OK. Continue testing kill & choke valves to 250 psi / 5 min, 5000 psi / 10 min. Repair & retighten leaking flanges. Welder rebuilt choke line to manifold after installation of HCR valve. Pres test to 5000 psi, OK. BOP testing 80% complete.

09/27/2007 Current Depth: 2,780 Daily Cost: \$36,466 AFE Cost to Date: \$789,403

Current Status: DRILLING

Pres test all choke manifold valves, blind rams & replacement TIW valve to 250 psi low/ 5 min & 5000 psi high/ 10 min, OK.

Pres test annular to 250 psi low/ 5 min & 2500 psi high/ 10 min, OK. PU & make up new 8-3/4" PDC Bit, mud motor & teledrift tool. TIH w/ BHA. Installed new rubber in rotating head. Drill cement, float collar @ 2496', cement & float shoe @ 2545'. Drill 10' of new hole f/ 2545' to 2555'. Circ hole clean. RU testers. Perform formation integrity test @ 2555' w/ 8.4 ppg water & 150 psi surface pressure, 9.5 ppg EMW. Drill 8-3/4" hole f/ 2555' to 2780', 225' / 5.5 hrs, 40.9 fph in Chinle.

MW 8.4

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 235' in 5.5 hrs, ROP 42.7

$$9.5 \times .052 \times 2555 = 1,262.17 \text{ psi}$$

$$8.4 \times .052 \times 2555 + 150 = 1,266. \text{ psi}$$

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

09/28/2007 Current Depth: 3,595 Daily Cost: \$37,873 AFE Cost to Date: \$827,276

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 2780' to 2982', 202' / 5.0 hrs, 40.4 fph.

Drill f/ 2982' to 3014', 32' / 1 hr, 32.0 fph.

Drill f/ 3014' to 3105', 91' / 4.5 hrs, 20.2 fph in Moenkopi.

Drill f/ 3105' to 3204', 99' / 2.0 hrs, 49.5 fph.

Drill f/ 3204' to 3327', 123' / 3.0 hrs, 41.0 fph.

Drill f/ 3327' to 3521', 194' / 4.0 hrs, 48.5 fph.

Drill f/ 3521' to 3595', 74' / 1.5 hrs, 49.3 fph.

MW 8.65, VIS 38, WL 25

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1050' in 27 hrs, ROP 38.9

Survey:

MD	Angle
3014	0.00
3521	0.50

8 3/4" bit

09/29/2007 Current Depth: 3,701 Daily Cost: \$41,419 AFE Cost to Date: \$868,695

Current Status: **REBUILD SURFACE MUD VOLUME TO KILL WEIGHT**

Drill 8-3/4" hole f/ 3595' to 3615', 20' / 0.5 hr, 40.0 fph.

Drill f/ 3615' to 3701', 86' / 1.5 hrs, 57.3 fph, well started flowing (water flow in White Rim sandstone).

Drill crew shut in well, SI @ 9:10 AM, 9/28/07 w/ 406 psi SIDPP & 600 psi SICP w/ 10 bbl gain, 9.3 ppg mud wt.

Lubricate rubber in annular, set slips in rotary, rotate drill string @ 19 RPM.

Mix surface pits to 11.6 ppg w/ barite for kill wt mud.

Pump 11.6 ppg kill wt mud w/ returns through choke & loaded hole.

Opened well, well flowing 1-1/2" stream out of choke line w/ FP 100 psi. SI well & check pressure, SIDPP 0 psi, SICP 100 psi.

Recalculated mud weight needed to kill well @ 12.2 ppg. Start rebuilding surface mud pit volume.

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1156' in 29 hrs, ROP 39.9

09/30/2007 Current Depth: 3,869 Daily Cost: \$44,382 AFE Cost to Date: \$913,077

Current Status: **CHANGE ANNULAR RUBBER**

Circ & condition surface mud, raise mud weight to 12.2 ppg.

Kill well on choke w/ 12.2 ppg mud, recovered the 11.6 ppg circ out of hole & transferred to pre mix tank for weight up. Well dead, no flow, pipe free.

Circ w/ one pump, work pipe, flow check well, no flow.

Drill 8-3/4" hole f/ 3701' to 3806', 105' / 2.5 hrs, 42.0 fph.

Drill f/ 3806' to 3869', 63' / 1.5 hrs, 42.0 fph in White Rim sand.

Circ hole clean, raise mud weight in pre mix tank to 12.6 ppg (for +0.3 ppg trip margin).

Installed / changed out new union & transducer on stand pipe for teledrift survey unit.

Spot 12.6 ppg mud in hole.

TOOH w/ bit to 2435', inside casing shoe @ 2545'.

Monitor well for flow, no flow.

MW 12.2, VIS 55, WL 14.0

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1324' in 33 hrs, ROP 40.1

Survey:

MD	Angle
3868	1.00

Finish TOOH, check for flow, no flow.

Clean up / wash down BOP stack. Pull flowline.

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/01/2007 Current Depth: **3,869** Daily Cost: **\$35,043** AFE Cost to Date: **\$948,120**

Current Status: **RAISE MUD WT TO KILL WELL**

Pulled off rotating head & flowline. Closed blind rams on BOP, unbolt top of 11"- 5M annular preventor. Changed rubber sealing element inside annular preventor. RU Single Jack Testing service. Opened HCR valve & blind rams. Well started flowing, could not set test plug in wellhead to test annular preventor. Well flowing 1.5" stream out choke line w/ 120 psi on gauge.

Pulled flowline (no valves on flow line) back to rotating head. Ordered double box bit sub bored for float valve. Lay line f/ auto choke on manifold to pre mix mud tank to monitor & gauge mud returns. Made up new bit, bit sub w/ float, 1-jt DP, HWDP & regular DP & strip in hole. Recovered mud through choke manifold to pre mix mud tank. Water broke into mud column, turned to straight water, diverted water through choke to reserve pit. Continue stripping in hole w/ bit to 3638'. Closed annular & pulled rubber out of rotating head. Lubricate annular rubber w/ motor oil, rotating string @ 20 RPM.

MW 12.3, VIS 47, WO 17.0

10/02/2007 Current Depth: **3,869** Daily Cost: **\$42,302** AFE Cost to Date: **\$990,422**

Current Status: **TIH W/ DRILLING BHA**

Circ & condition surface mud volume, raise mud weight to 12.9+ ppg. Pump kill weight mud down DP w/ returns through choke. Well dead, flow check well. PU new DP & TIH to 3689', hit tight hole. Circ & condition mud through full open choke to mud pits, keeping mud wt @ 12.9 ppg. Installed flowline off rotating head, finish circ & conditioning over shakers. Mix & spot 50 bbl pill of 13.5 ppg heavy slug mud down DP. TOOH, filling pipe every 3 stands, no over pull, no tight spots, no flow. TIH w/ drilling BHA. MW 13.0, VIS 44, WL 17.0

10/03/2007 Current Depth: **4,040** Daily Cost: **\$48,986** AFE Cost to Date: **\$1,039,408**

Current Status: **PREP TO TOOH**

TIH, tag tight hole @ 3716'.

Wash & ream f/ 3700' to 3869' w/ full circulation, no loss, no flow.

Drill 8-3/4" hole f/ 3869' to 3933', 64' / 3 hrs / 21.3 fph in Cutler.

Drill f/ 3933' to 4005', 72' / 6.0 hrs, 12.0 fph, hard sandstone.

Drill f/ 4005' to 4016', 11' / 2.0 hrs, 5.5 fph.

Drill f/ 4016' to 4040', 24' / 3.0 hrs, 8.0 fph.

MW 12.7, VIS 41, WL 15.0

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', made 1495' in 44 hrs, ROP 34.0

Survey:

MD	Angle
3996'	1.50

10/04/2007 Current Depth: **4,110** Daily Cost: **\$46,665** AFE Cost to Date: **\$1,086,073**

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4040' to 4058', 18' / 2.5 hrs, 7.2 fph.

Circ hole clean, mix & pump 30 bbls 13.5 ppg dry job slug down DP.

TOOH, no flow, hole took proper fill up.

Change bits, PU bit #4.

TIH to 3998'. Precautionary wash & ream to 4058', no fill on bottom, no tight spots.

Drill f/ 4058' to 4083', 25' / 5.5 hrs, 4.5 fph.

Drill f/ 4083' to 4110', 27' / 6.0 hrs, 4.5 fph in Cutler.

MW 13.0, VIS 44, WL 14.0

SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', out @ 4058', made 1513' in 46.5 hrs, ROP 32.5

REED Bit #4, 8 3/4", R27P, in @ 4058', made 52' in 11.5 hrs, ROP 4.5

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/05/2007 Current Depth: 4,221 Daily Cost: \$29,326 AFE Cost to Date: \$1,115,399

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4110' to 4114', 4' / 1.25 hrs, 3.2 fph. Drill f/ 4114' to 4116', 2' / 0.5 hr, 4.0 fph. Circ bottoms up, pump 30 bbls, 13.5 ppg dry job slug. TOOH. Break off bit & LD mud motor. Re-nozzle bit, make up bit, bit sub & teledrift. TIH, precautionary wash & ream f/ 4085' to 4116', no fill, no tight spots, no flow. Drill 8-3/4" hole f/ 4116' to 4157', 41' / 5.5 hrs, 7.5 fph. Drill f/ 4157' to 4221', 64' / 6.0 hrs, 10.7 fph in Cutler. MW 13.0, VIS 55, WL 12.0
SMITH Bit #3, 8 3/4", M616YSPX, in @ 2545', out @ 4058', made 1513' in 46.5 hrs, ROP 32.5
REED Bit #4, 8 3/4", R27P, in @ 4058', made 163' in 24.75 hrs, ROP 6.6

10/06/2007 Current Depth: 4,395 Daily Cost: \$34,613 AFE Cost to Date: \$1,150,012

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4221' to 4225', 4' / 1 hr, 4.0 fph. Lost pump pressure, pres down to 400 psi. Work on both mud pumps bad valves in both pumps.

Drill f/ 4225' to 4232' w/ one mud pump, 7' / 1.5 hrs, 4.7 fph.

Drill f/ 4232' to 4305', 73' / 8.0 hrs, 9.1 fph.

Drill f/ 4305' to 4346', 41' / 6.0 hrs, 6.8 fph.

Drill f/ 4346' to 4395', 49' / 6.0 hrs, 8.2 fph in Cutler. MW 13.0, VIS 55, WL 14.0

REED Bit #4, 8 3/4", R27P, in @ 4058', made 337' in 47.25 hrs, ROP 7.1

10/07/2007 Current Depth: 4,481 Daily Cost: \$39,972 AFE Cost to Date: \$1,189,984

Current Status: **TIH W/ NEW BIT.**

Drill f/ 4474' to 4481', 7' / 2.0 hrs, 3.5 fph.

Drill 8-3/4" f/ 4395' to 4474', 79' / 11.5 hrs, 6.9 fph. TOOH. TIH w/ bit #5.

MW 13.1, VIS 61, WL 11.7

REED Bit #4, 8 3/4", R27P, in @ 4058', OUT @ 4481', made 423' in 61.00 hrs, ROP 6.9

REED Bit #5, 8 3/4", R27P, in @ 4,481'.

10/08/2007 Current Depth: 4,481 Daily Cost: \$13,198 AFE Cost to Date: \$1,203,182

Current Status: **REPAIR RIG.**

TIH w/ bit #5 to 4437'. Troubleshoot & attempted to repair #1 mud pump (clutch was burned up). Dumped 20 sx barite @ pump suction & TOOH to 2476' inside of 9-5/8" casing shoe. Repaired clutch & drive coupling on premix tank centrifugal pump. Replaced active system hopper centrifugal pump. Replaced clutch plates in #1 mud pump motor (#1 mud pump clutch would not engage fully). Troubleshoot & attempted to repair #1 mud pump. (pneumatic clutch solenoid was broken & bypassing air). Wait on pneumatic clutch solenoid. Raised mud weight in active to 13.1 ppg & mixed mud in premix pit.

MW 12.9, VIS 50, WL 13.0

REED Bit #5, 8 3/4", R27P, in @ 4,481'.

10/09/2007 Current Depth: 4,517 Daily Cost: \$23,581 AFE Cost to Date: \$1,226,763

Current Status: **DRILLING**

Wait on pneumatic clutch solenoid. Found that clutch plates on #1 mud pump were installed too tight. Reinstall clutch plates properly & reroute air lines through pneumatic clutch solenoid.

TIH to 4437'. Precaution wash & ream f/ 4437' to 4481', had 1.5' of fill. Drill 8-3/4" hole f/ 4481' to 4492', 11' / 6.0 hrs, 1.8 fph. Drill f/ 4492' to 4517', 25' / 5.5 hrs, 4.5 fph in Cutler.

MW 13.2, VIS 61, WL 13.0

REED Bit #5, 8 3/4", R27P, in @ 4,481', made 36' in 11.5 hrs, ROP 3.1.

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/10/2007 Current Depth: 4,593 Daily Cost: \$30,821 AFE Cost to Date: \$1,257,584

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4517' to 4537', 20' / 1.5 hrs, 13.3 fph.

Drill f/ 4537' to 4560', 23' / 7.0 hrs, 3.3 fph.

Dry out & adjust drawworks brake bands.

Drill f/ 4560' to 4579', 19' / 7.5 hrs, 2.5 fph.

Drill f/ 4579' to 4580', 1' / 0.5 hr, 2.0 fph.

Drill f/ 4580' to 4581', 1' / 0.5 hr, 2.0 fph.

Change 2-swabs, 1-liner & packing in #1 mud pump/ 2 hrs.

Drill f/ 4581' to 4593', 12' / 3.5 hrs, 3.4 fph.

MW 13.0, VIS 53, WL 13.0

REED Bit #5, 8 3/4", R27P, in @ 4,481', made 112' in 32 hrs, ROP 3.5.

Survey:

MD Angle

4496 0.75

10/11/2007 Current Depth: 4,596 Daily Cost: \$16,708 AFE Cost to Date: \$1,274,292

Current Status: **TOOH**

Drill 8-3/4" hole f/ 4593' to 4596', 3' / 1 hr, 3.0 fph in Cutler.

Change swab in #2 mud pump, found hole in mud line spool just below standpipe connection.

RU hose to bypass standpipe, mix & pump slug.

TOOH to 2377' inside of 9-5/8" casing shoe.

Wait on welder & new mud line pipe. Remove bad mud line spool & check both mud pumps.

Build new mud line. Install new pneumatic clutch solenoid on #1 mud pump motor.

Build & install new mud line f/ mud pump bumper hose to standpipe in subbase.

Test new mud line against upper kellycock to 3000psi for 10 min, OK.

Install fillup & cellar jet lines. Repair pop off valve on #2 mud pump.

TOOH for PDC bit & mud motor.

MW 13.1, VIS 50, WL 11.0

REED Bit #5, 8 3/4", R27P, in @ 4,481', made 115' in 33 hrs, ROP 3.5.

10/12/2007 Current Depth: 4,757 Daily Cost: \$51,003 AFE Cost to Date: \$1,325,295

Current Status: **DRILLING**

TOOH for PDC bit & mud motor.

LD bit #5, bit sub & teledrift sub.

PU bit #6, mud motor & teledrift sub.

TIH to 4561', make up kelly & break circ. Precautionary wash & ream f/ 4561' to 4596', had 3' of fill.

Drill 8-3/4" hole f/ 4596' to 4690', 94' / 7.5 hrs, 12.5 fph.

Drill f/ 4690' to 4757', 67' / 6 hrs, 11.2 fph.

MW 12.9, VIS 53, WL 13.0

REED Bit #5, 8 3/4", R27P, in @ 4,481', out @ 4596', made 115' in 33 hrs, ROP 3.5.

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 161' in 13.5 hrs, ROP 11.9'

10/13/2007 Current Depth: 4,953 Daily Cost: \$46,142 AFE Cost to Date: \$1,371,437

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4757' to 4789', 32' / 6.5 hrs, 4.9 fph. Drill f/ 4789' to 4914', 126' / 11.0 hrs, 11.5 fph. Drill f/ 4914' to 4953', 39' / 6.0 hrs, 6.5 fph.

MW 13.0, VIS 45, WL 15.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 357' in 37.0 hrs, ROP 9.6.

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/14/2007 Current Depth: 5,072 Daily Cost: \$32,544 AFE Cost to Date: \$1,403,981

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 4953' to 4979', 26' / 3.5 hrs, 7.4 fph. Drill f/ 4979' to 5011', 32' / 3.0 hrs, 10.7 fph. Circ & teledrift survey @ 4968' on 2nd try, worked stuck pipe free after survey/ 5 min.

Drill f/ 5011' to 5035', 24' / 7.0 hrs, 3.4 fph. Drill f/ 5035' to 5048', 13' / 2.5 hrs, 5.2 fph. Drill f/ 5048' to 5072', 24' / 6.0 hrs, 4.0 fph in Cutler.

MW 13.1, VIS 44, WL 16.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 476' in 59.0 hrs, ROP 8.1.

MD	ANGLE
4968'	3.00

10/15/2007 Current Depth: 5,262 Daily Cost: \$37,495 AFE Cost to Date: \$1,441,476

Current Status: **DRILLING**

Drill 8-3/4" hole f/ 5072' to 5105', 33' / 7.5 hrs, 4.4 fph. Drill f/ 5105' to 5122', 17' / 2.5 hrs, 6.8 fph. Drill f/ 5122' to 5203', 81' / 6.5 hrs, 12.5 fph. Drill f/ 5203' to 5262', 59' / 6.0 hrs, 9.8 fph in Cutler.

MW 13.1, VIS 58, WL 10.0

SMITH Bit #6, 8 3/4", M1616VX, in @ 4596', made 666' in 81.5 hrs, ROP 8.2.

10/16/2007 Current Depth: 5,296 Daily Cost: \$37,369 AFE Cost to Date: \$1,478,845

Current Status: **PREP TO PUMP BLACK MAGIC DOWN HOLE**

Drill 8-3/4" hole f/ 5262' to 5296', 34' / 5.0 hrs, 6.8 fph.

Circ & teledrift survey twice @ 5245'. Worked stuck pipe loose after each survey.

Service rig. Pipe stuck w/ kelly bushing above rotary table after servicing rig.

Work & jar on stuck pipe. Jar down & intermittantly attempt to rotate pipe in table w/ DC slips.

Work & jar on stuck pipe while mixing & weighting up Black Magic.

MW 13.1, VIS 47, WL 17.0

Survey:

MD	Angle
5245	3.00

10/17/2007 Current Depth: 5,296 Daily Cost: \$54,255 AFE Cost to Date: \$1,533,100

Current Status: **PUMP BLACK MAGIC**

Work & jar on stuck pipe while mixing & weighting up Black Magic.

Spotted 46 bbls of 13.0 ppg Black Magic (15 bbls Black Magic inside pipe & calc top outside pipe @ 4640').

Placed 95K# down weight w/ 2-1/2 wraps of torque in pipe.

Pumped & moved 1 bbl Black Magic every hour/ 10 hrs.

Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour/ 2 hrs (calc top of Black Magic @ 4491').

Work & jar on stuck pipe while waiting on Black Warrior wireline.

Pumped & moved 1bbl Black Magic every hour/ 2 hrs.

U Black Warrior wireline.

RIH to 4503' w/ freepoint tool, stop & check @ 3004' / 100% free.

Freepoint @ 4503', 4314', 4259' & 4190' (1st jt HWDP below jars) / all 100% stuck.

Freepoint @ 3004' / 100% free, 3802' / 75% free, 4016' / 55% free & 4127' (1st HWDP above jars) / 50% free.

POOH & RD Black Warrior wireline.

Pumped Black Magic 840' up hole w/ 1230 pump strokes. Calc top of Black Magic @ 3651' & calc bottom @ 4491'.

Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 2 hrs.

MW 13.1, VIS 50, WL 15.0

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/18/2007 Current Depth: 5,296 Daily Cost: \$70,386 AFE Cost to Date: \$1,603,486

Current Status: **WORKING & JARRING STUCK PIPE WHILE RU WACO MUD CLEANER**

Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 3 hrs. Work & jar stuck pipe while Swaco RU mud cleaner & pumps/ 21 hrs. Finished mixing new batch of 13.0 ppg Black Magic @ 3:00 AM. Plan to lower solids & water loss in mud & spot Black Magic across BHA.

10/19/2007 Current Depth: 5,296 Daily Cost: \$64,540 AFE Cost to Date: \$1,668,026

Current Status: **WORK & CIRC PIPE WHILE MIXING BLACK MAGIC**

Work & jar stuck pipe while circ hole & Swaco RU mud cleaner & pumps/ 7.5 hrs.
Work pipe intermittently while circulating & conditioning mud/ 6.5 hrs. Ran mud cleaner for 3 hrs.
Start pumping Black Magic downhole. Pumped 424 strokes (16 bbls) & found premix tank empty. Discovered that 87 bbls Black Magic leaked by a closed suction valve back into the suction pit (active pits completely full). Dump sandtrap to lower pit volume. Work & jar stuck pipe every 30 min while circulating hole. Start filling premix tank w/ diesel to mix another 103 bbl batch of Black Magic. Work & jar stuck pipe every 30 min while circ hole/ 6 hrs.

MW 13.0; Vis 42; API WL 6.0

10/20/2007 Current Depth: 5,296 Daily Cost: \$71,000 AFE Cost to Date: \$1,739,026

Current Status: **WORK & JARRING STUCK PIPE**

Work & jar stuck pipe every 30 min while circulating hole, finish adding barite to Black Magic, 13.0 ppg. Spot 103 bbls of 13.0 ppg Black Magic (25 bbls inside pipe & calc top outside pipe @ 3780'.

Placed 95K# down weight w/ 3 wraps of torque in pipe. Pumped & moved 1 bbl Black Magic every hour/ 6 hrs. Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour/ 14 hrs.

MW 13.0, VIS 44, WL 5.2

10/21/2007 Current Depth: 5,296 Daily Cost: \$62,010 AFE Cost to Date: \$1,801,036

Current Status: **PU 6 1/2" DRILL COLLARS**

Work & jar on stuck pipe. Pumped & moved 1 bbl Black Magic every hour / 3 hrs.

Inspect derrick after repeated jarring, OK

RU Black Warrior wireline.

RIH w/ freepoint tool & found 3516' / 100% free, 3868' / 90% free, 4021' (5 jts down in HWDP) / 65% free, 4145' (1st HWDP above jars) / 45% free & 4206' (1st HWDP below jars) / 100% stuck.

POOH w/ freepoint tool & make up string shot #1. RIH & attempt back off @ 4133' WLM / 4139' DPM, no back off. POOH.

Make up string shot #2. RIH & attempt back off @ 4133' WLM / 4139' DPM, no back off. POOH. Make up string shot #3. RIH & back off @ 4045' WLM / 4047' DPM (4 jts HWDP above jars). POOH & RD Black Warrior wireline. Pump slug & TOOH w/ 5-stands DP. Drill pipe slips not holding, 1-slip die was broken. Replaced all slip dies w/ new dies / 1.5 hrs. TOOH w/ 36-stands DP & 5 jts HWDP. Fish left in hole: Bit, mud motor, teledrift sub, (3) 6-1/2" DC, (30) 4-1/2" HWDP, 6-1/2" jars, (4) 4-1/2" HWDP, total 1210.80'. PU 8-1/8" washpipe BHA.

MW 13.0, VIS 45, WL 5.2

Fish

10/22/2007 Current Depth: 5,296 Daily Cost: \$50,675 AFE Cost to Date: \$1,851,711

Current Status: **WO WASHOVER SHOE**

Continue PU 8-1/8" washpipe BHA.

TIH w/ 1-stand of 4-1/2" HWDP & install rotating head rubber.

TIH w/ 8-1/8" washpipe BHA using a wet plug & checking every connection. LD top jt on last 3 stands.

Make up kelly & wash to top of fish @ 4047'.

Wash & ream over top of fish @ 4047' to 4049'. Torque went away, unable to make any further headway.

Mix & pump slug, stand back kelly.

TOOH w/ washpipe BHA #1. Washover shoe was worn badly & marked w/ 3 distinct rings where it had been run on the top of the fish.

Access washshoe markings & discuss forward plan.

Wait on cut-rite dressed 30 deg mule shoe washover shoe / 5.5 hrs.

MW 13.1, VIS 50, WL 5.2

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/23/2007 Current Depth: 5,296 Daily Cost: \$39,081 AFE Cost to Date: \$1,890,792

Current Status: **TOOH**

Wait on cut rite dressed 30 deg mule shoe washover shoe. Weatherford delivered a crippled castle shoe. Make up 8-1/8" washpipe BHA w/ 8-3/8" crippled castle shoe & 2 jts washpipe.

TIH w/ 1-stand of 4-1/2" HWDP & install rotating head rubber. TIH, slowly, w/ 8-1/8" washpipe BHA #2 using a wet plug to 4007'. Make up kelly & wash to top of fish @ 4047'.

Wash & work w/ kelly to top of fish @ 4047'. String taking weight & rotary table torquing up.

Wash & work w/ kelly over top of fish @ 4047' @ 12:45 AM down to 4079'.

Make connection. Wash & work without kelly over top of fish @ 4047' @ 1:20 AM & down to 4110'. Circ bottoms up, mix & pump slug. Stand back kelly. TOOH slowly w/ washpipe BHA #2.

MW 13.0, VIS 54, WL 4.4

10/24/2007 Current Depth: 5,296 Daily Cost: \$67,859 AFE Cost to Date: \$1,958,651

Current Status: **TIH W/ WASHPIPE BHA #3**

TOOH slowly w/ washpipe BHA #2. PU 1 jt washpipe & stand back 1-stand washpipe.

PU fishing BHA #3: 8-1/8" overshot w/ 6-1/4" mill control & grapple, pump out sub dressed w/ 1500 psi disc, bumper sub & fishing jars.

TIH w/ 2-stands 6-1/4" DC & 1-stand 4-1/2" HWDP. Install rotating head rubber.

TIH to 4011'.

PU 4-1/2" pup jt & 1jt 4-1/2" DP. Make up kelly & wash to 4050', tagged TOF 3' deep.

Slid over top of fish @ 1:10 PM on 1st try & secured grapple by working pipe f/ 165K# to 75K#. Stand back kelly.

RU Black Warrior wireline. Made dummy run w/ 1-11/16" sinker bars to 5132'. POOH.

RIH & freepoint w/ stretch readings @ 4123' / 80% free, 4201' / 100% stuck, 4180' / 100% stuck, 4162' / 70% free w/ stretch & 80% free w/ torque.

Make up string shot. RIH & back off @ 4135' WLM / 4139' DPM @ 1 jt HWDP above jars.

POOH & RD Black Warrior wireline.

LD 1 jt 4-1/2" DP & 4-1/2" pup jt, pump slug.

Chain out of hole w/ 8-1/8" overshot & fishing assembly.

Remove overshot & LD fish, recovered 3 jts 4-1/2" HWDP. LD overshot & pumpout sub.

PU 8-1/8" washpipe BHA #3 w/ 35 deg Cripple shoe.

TIH w/ 8-1/8" washpipe BHA #3 using a wet plug, checking every connection. Current TOF @ ~4139'.

MW 13.0, VIS 51, WL 4.4

10/25/2007 Current Depth: 5,296 Daily Cost: \$40,928 AFE Cost to Date: \$1,999,579

Current Status: **CHAIN OUT W/SCREW IN SUB FISHING ASSEMBLY**

TIH w/ 8-1/8" washpipe BHA #3 using wet plug & checking every connection. LD top jt on last 3-stands.

Make up kelly & wash to top of fish @ 4139'.

Attempt to wash over top of fish w/ kelly bushings 1' above rotary table, no good.

Single down 1jt DP w/ kelly & replace w/ 14.73' DP pup jt.

Wash & work over top of fish w/ kelly @ 4139'. Wash & ream down to 4263'.

Circ bottoms up, mix & pump slug. Stand back kelly.

TOOH slowly to washpipe BHA #3.

LD jars, bumper sub, 1 jt washpipe & crippled washover shoe. Stand back 1-stand of washpipe.

PU 4-1/2" XH screw in sub BHA #1. TIH w/ 2-stands 6-1/4" DC & 1-stand 4-1/2" HWDP.

TIH to 4106'.

PU 1 jt DP & make up kelly. Wash f/ 4106' to 4139' & screw into top of fish.

Stand back kelly & RU Black Warrior wireline.

Make up string shot. RIH & back off @ 4233' WLM / 4232' DPM (1 jt HWDP below drilling jars).

POOH. RD Black Warrior wireline.

LD 1 jt 4-1/2" DP & 4-1/2" pup jt. Pump slug.

Chain out of hole w/ 4-1/2" XH screw in sub & fishing assembly.

MW 13.0, VIS 52, WL 4.4

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/26/2007 Current Depth: 5,296 Daily Cost: \$0 AFE Cost to Date: \$1,999,579

Current Status: **MONITORING WELL & WO ANNULAR RUBBER**

Chain out of hole w/ 4-1/2" XH screw-in sub & fishing assembly. Break out screw-in sub & LD fish, recovered 2 jts 4-1/2" HWDP & drilling jars. LD screw in & pumpout sub. Make up 8-1/8" washpipe BHA #4 w/ reverse sawtooth shoe. TIH w/ 8-1/8" washpipe BHA #4 using a wet plug & checking every connection to 4227'. Make up kelly. Attempt to wash over top of fish w/ kelly bushings 3' above rotary table, no good. Single down 1-jt DP w/ kelly & replace w/ 14.73' DP pup jt. Wash & work over top of fish w/ kelly @ 4232'. Wash & ream down to 4292'. Wash & ream @ 4292' for 1 hr w/ no progress. Mix & pump slug. Stand back kelly. LD 2-jts 4-1/2" DP & 4-1/2" pup jt. TOOH w/ 5-stands DP & attempt to fill hole. Blew pop offs on each pump individually. Investigate reason for blown pop off valves. Found that kill line valve was staying closed even w/ stem in open position. Move kill line to wellhead outlet to fill pipe while TOOH. TOOH w/ 5-stands DP fill hole. First 2 fill ups took 3/4 bbl less than calculated. Check well for flow for 15 min, no flow. TOOH to 2294' (inside 9-5/8" surface casing). Pull cap on kill line check valve to attempt to inspect kill line valve, no good. Install check valve cap. TOOH to washpipe BHA #4. Mousehole jars & bumper sub, stand back 3 jts & LD 1 jt washpipe. Attempt to set test plug in wellhead to change out kill line valve. Annular rubber was torn up so badly that the test plug would not go through. Fill hole & monitor well while looking for an annular rubber. MW 13.0, VIS 49

10/27/2007 Current Depth: 5,296 Daily Cost: \$1,997 AFE Cost to Date: \$2,001,576

Current Status: **INSTALLING KILL LINE VALVE & CHECK VALVE**

Work on mud pumps & perform rig maintenance while waiting on new annular element. Monitor fluid level & check for flow, fluid level dropped 2' in 9 hrs. Close BOP blind rams. Remove flowline connection & annular bonnet nuts. Lift rotating head & bonnet. Remove bad annular rubber. Clean annular body, bonnet & studs. Prepare to install new annular element. Element arrived @ 8:30 PM. Install new annular element. Replace annular bonnet & reconnect flowline connection. RU Single Jack Testing & attempt to run test plug through annular preventor. Rubber was slightly protruding into annular bore, test plug would not pass. Function annular preventor 8 - 10 times & the amount of rubber protruding into the annular bore increased to 2" all the way around.

Found closing side accumulator line fitting broken. Replaced closing side fitting on annular preventor & functioned annular several times, annular opened good. Opened wellhead valve & set test plug, had to work test plug through new annular element. Removed kil line valve & check valve. Installed new kill line valve & old check valve. MW 13.0, VIS 48, WL 4.3

10/28/2007 Current Depth: 5,296 Daily Cost: \$36,456 AFE Cost to Date: \$2,038,032

Current Status: **TIH W/ SCREW IN SUB BHA #2**

Finish tightening nuts on on kill line valves. Pres test annular to 250 psi low / 2500 psi high, OK. Prest test kill line valves to 250 psi low / 5000 psi high against pipe rams. RD Single Jack testers. Line up choke & kill line valves & install fill up line. Make up 8-1/8" washpipe BHA #5 w/ wavy scallop shoe.

TIH w/ 8-1/8" washpipe BHA #5 using wet plug to 4232'. Make up kelly.

Wash & work over top of fish @ 4232' w/ kelly. Wash & ream down to 4292'.

Wash & ream f/ 4292' to 4294' in 1-1/2 hrs. Wash & ream f/ 4294' to 4352' in 2.5 hrs.

Mix & pump slug, stand back kelly. TOOH slowly to washpipe BHA #5. LD jars, bumper sub, 1 jt washpipe & wavy scallop washover shoe. Stand back 1-stand washpipe.

PU 4-1/2" XH screw in sub BHA #2 & TIH w/ 2-stands 6-1/4" DC & 1-stand 4-1/2" HWDP. TIH to 3848'.

MW 13.0, VIS 50, WL 4.3

10/29/2007 Current Depth: 5,296 Daily Cost: \$46,644 AFE Cost to Date: \$2,084,676

Current Status: **MAKE UP WASH OVER BHA**

TIH w/ screw in sub to 4228'.

Make up kelly. Wash f/ 4228' to 4232' & screw into top of fish.

Beat down on fish w/ bumper sub to 90K# & jar up on fish w/ 220K#, pulling to 240K# / 10.5 hrs.

RU Black Warrior wireline. Run free point, found pipe 98% stuck @ 4389', free @ 4348' tool joint. POOH. Make up back off shot. RIH & backed off pipe @ 4355' pipe measurement, 4348' wireline measurement. Pump 20 bbls slug & TOOH, chain out. Fill hole every 5-stands.

LD fish #3: 4 jts 4-1/2" HWDP.

MW 13.0, VIS 51, WL 4.3

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator: **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

10/30/2007 Current Depth: **5,296** Daily Cost: **\$28,771** AFE Cost to Date: **\$2,113,447**

Current Status: **FREE POINT & BACK OFF DRILL STRING**

Finish LD fishing tools. PU & ran 5 jts (150.68') of 8.125" washover pipe. TIH to 4350', checking each connection in string. Precautionary wash & ream to top of fish @ 4355'. Wash over top of fish. Continue washing over fish, set down on wash pipe drive sub @ 4510'. Washed over fish w/ no restrictions on last 20' f/ 4490' to 4510'. Circ hole clean, pump 20 bbls 14 ppg slug. TOOH, filling hole every 5 stands (dry). Make up screw in BHA & TIH to 4350'. Circ & screw into top of fish @ 4355'. Set off jars, no movement in fish. RU Black Warrior wireline to run free point & back off stuck drill string. MW 13.05, VIS 54, WL 4.0

10/31/2007 Current Depth: **5,296** Daily Cost: **\$56,287** AFE Cost to Date: **\$2,169,734**

Current Status: **SPOTTING CEMENT PLUGS TO P & A.**

Jar down w/ 90K# & up w/ 220K# on fish, no movement. RU Black Warrior wireline. RIH w/ free point tools. Found fish 50% stuck @ 4495' & free @ tool jt @ 4478'. RIH w/ back off shot & backed off @ 4478'. 4 jts 4-1/2" HWDP ready to recover. RD Black Warrior wireline. Decision was made to P&A well, top of fish @ 4478'. Chained out of hole, filling hole every 5-stands. LD 4 jts 4-1/2" HWDP recovered in fishing operations. Clean off cat walk, LD fishing tools. Load out all Weatherford fishing tools & move off location. LD 2-stands DC, 2-stands 4-1/2" HWDP out of derrick & move off cat walk. Run 4-1/2" open ended DP out of derrick in hole to 3894'. PU 18 jts DP & TIH to 4465'. Circ hole @ 80 spm w/ 400 psi, condition hole for P&A cement plugs. Wait on Halliburton to arrive. RU Halliburton. Pres test pump & lines to 1500 psi. Pump 8 BW ahead of 13.38 bbls / 75 cf / 64 sks Class G cement (15.8 ppg) w/ 2% CaCl2. Displace / equalize plug w/ 2 BW & 57 bbls 13.0 ppg mud. CIP @ 6:30 AM, 10/31/07. Pulled out of top of cement @ 4315'. Pulled DP up to 4133' & circ hole. Cement plug #1: 4315' - 4465'.

11/01/2007 Current Depth: **5,296** Daily Cost: **\$313,738** AFE Cost to Date: **\$2,483,472**

Current Status: **SPOT CEMENT PLUGS TO P&A WELL**

Circ @ 3799' w/ 1 pump @ 80 spm. Wait on cement to harden / 3 hrs. RIH w/ DP & tag cement Plug #1 @ 4322' (witnessed by State of Utah). POOH & LD 13 jts 4-1/2" DP. RU Halliburton. Spot Plug #2 (across White Rim Sand 3650'-4050'): With pipe hanging @ 4050', pump 5 BW then 100 cf / 17.8 bbls / 85 sx Class G cement (15.8 ppg) w/ 2% CaCl2. Equalized plug w/ 2 BW & 48 bbls 13.0 ppg mud. Pulled DP up to 3830', pumped 5 BW then 100 cf / 17.8 bbls / 85 sx Class G (15.8 ppg) w/ 2% CaCl2. Equalized w/ 2 BW & 44 bbls 13.0 ppg mud. Pulled DP to 3133'. Circ @ 3133' w/ 1 pump @ 80 spm. Wait on cement to harden / 3 hrs. RIH w/ DP & tag cement Plug #2 too low @ 3784' (witnessed by State of Utah). State of Utah required setting another plug across the White Rim Sand. Pumped 5 BW then 67 cf / 12 bbls / 80 sx Class G cement (15.8 ppg) w/ 2% CaCl2. Equalized w/ 2 BW & 46 bbls 13.0 ppg mud. Pulled & LD DP to 3133', not required to tag top of plug. Circ DP & hole clean @ 80 spm w/ 1 pump @ 3133'. Pull & LD DP f/ 3133' to 2627'. Circ, wait on more Halliburton cement to arrive on location / 4 hrs. Spot Plug #3 (across 9-5/8" surface csg shoe f/ 2470'-2620'): With DP @ 2627', pump 5 BW then 76 cf / 13.6 bbls / 65 sx Class G cement w/ 2% CaCl2. Pulled up to 2056', circ & wait on cement / 3 hrs. RIH w/ DP & tag cement Plug #3 too low @ 2521'. Spot 50' cement plug w/ 100% excess on top of Plug #3 inside 9-5/8" csg.

11/02/2007 Current Depth: **5,296** Daily Cost: **\$342,996** AFE Cost to Date: **\$2,826,468**

Current Status: **RD UNITED RIG #41**

Spot cmt Plug #3B: With DP @ 2500', pump 5 BW, 6.5 bbls / 36.5 cf / 43 sx Class G (15.8 ppg) w/ 2% CaCl2. Equalize w/ 2 BW & 28 bbls 13.0 ppg mud, CIP @ 6:12 AM, 11/1/07. Pulled f/ 2500' to 2120', circ @ 40 spm to clean DP & hole. POOH, LD DP f/ 2500' to 126'. Circ & condition for surface plug. Spot Plug #4 (surface plug) f/ 126' to surface w/ 2 BW ahead of 9.7 bbls / 54.6 cf / 64 sx Class G (15.8 ppg) w/ 2% CaCl2. POOH & LD DP. Top off hole w/ cement to surface. Cement is just below wellhead. RD Halliburton. McKenna #21-32 plugged & abandoned 11/1/07. CIP @ 11:50 AM, 11/1/07. ND BOPE, pressure wash BOPE.

Top of fish / 4478' 64 sx

13 ppg mud plug #1 4322' 4465'



Plug #3 tag at 2521' 2470' - 2620' 65 sx spot 50' w/ 100% excess on top of plug 3

Plug #2 Pipe at 4050' 85 sx Class G pipe at 3830' 85 sx Class G Tag at 3784' 80 sx

Page 13 of 14

Surface plug #4 126' to surf. 64 sx top off to surface P S A 11/1/07

Plug #3B 2500' 43 sx

Well History

04-Dec-07

Region Name: Rocky Mountain

Well Name: **MCKENNA #21-32**

AFE Number: **73606**

Type: **AA**

Operator **Cabot Oil & Gas Corporation**

Artesia Number: **430049001**

Project Type: **1-EXP DRILLING**

11/03/2007 Current Depth: 5,296 Daily Cost: \$25,932 AFE Cost to Date: \$2,852,400

Current Status: **CLEAN MUD PITS & RD**

LD kelly, RD drill floor.

Transfer 13.0 ppg drilling mud f/ active mud pits to 500 bbl rental storage tank. Wait on orders for disposal.

Pressure wash mud pits.

Load & haul off 4 loads of United Drilling drill pipe.

Load out & haul off all rental survey equip.

Load 18 jts Thomas Tool 4-1/2" HWDP & haul off location.

Release & move off generator for mud cleaning equipment.

Cleaning, shovel out & pressure wash active mud pits.

11/04/2007 Current Depth: 5,296 Daily Cost: \$31,864 AFE Cost to Date: \$2,884,264

Current Status: **LD DERRICK & PREP RIG TO MOVE**

Clean mud pits, load out United Drilling truck w/ BOP equipment.

Load out & haul off all rental tools & equip.

Load out & haul off 2 loads of UDI drill pipe & drill collars.

RD Swaco gas buster & set on side of location. Need a big crane to RD mud cleaner prior to moving rig.

Welder cut off 11"-5Mx9-5/8" casinghead & installed dry hole marker on top of cut off casing.

Released rig @ 6:00 PM, 11/3/07.

Project Type: **9-PLUGGED**

11/05/2007 Current Depth: 5,296 Daily Cost: \$16,500 AFE Cost to Date: \$2,900,764

Current Status: **P & A'D 11-1-07 - FINAL REPORT**

LD derrick, unstring blocks, RD & drain all water & air systems.

Finished cleaning premix mud tank. Change 6" valves on mud pits.

UDI trucks hauled off all remaining drill pipe & drill collars.

Rig 100% ready to move.

Drop From Report. FINAL REPORT

Project Type: **8-DROPPED**

11/06/2007 Current Depth: 5,296 Daily Cost: \$0 AFE Cost to Date: \$2,900,764

Current Status: **P & A'D 11-1-07 - FINAL REPORT**

Drop From Report. FINAL REPORT

HALLIBURTON

Cementing Job Summary

The Road to Excellence Starts with Safety

Sold To #: 301145		Ship To #: 2609631		Quote #:		Sales Order #: 5463052	
Customer: CABOT OIL & GAS PRODUCTION CORP				Customer Rep: Moore, Dave			
Well Name: McKenna		Well #: 21-32		API/UWI #:			
Field:		City (SAP): UNKNOWN		County/Parish: San Juan		State: Utah	
Legal Description: Section 32 Township 29S Range 25E							
Contractor: United Drilling Co.		Rig/Platform Name/Num: United #41					
Job Purpose: Plug to Abandon Service							
Well Type: Producing Well		Job Type: Plug to Abandon Service					
Sales Person:		Srvc Supervisor: TALLMAN, JESS		MBU ID Emp #: 122519			
Job Personnel							
HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs	Emp #	HES Emp Name	Exp Hrs
PEREZ, DIANA	0.0	413593	TALLMAN, JESS L	0.0	122519	tickell, andy	0.0
WOOD, BRANDON M	0.0	412753					
Equipment							
HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way	HES Unit #	Distance-1 way
10241534	195 mile	10248068	195 mile	10713212	195 mile	10823383	195 mile
Job Hours							
Date	On Location Hours	Operating Hours	Date	On Location Hours	Operating Hours	Date	On Location Hours
TOTAL		Total is the sum of each column separately					
Job				Job Times			
Formation Name				Date		Time	
Formation Depth (MD) Top		Bottom		Called Out		30 - Oct - 2007 18:00	
Form Type		BHST		On Location		31 - Oct - 2007 02:30	
Job depth MD 4465. ft		Job Depth TVD 4465. ft		Job Started		31 - Oct - 2007 05:34	
Water Depth		Wk Ht Above Floor 3. ft		Job Completed		01 - Nov - 2007 12:07	
Perforation Depth (MD) From		To		Departed Loc		01 - Nov - 2007 13:30	
Well Data							
Description	New / Used	Max pressure psig	Size in	ID in	Weight lbm/ft	Thread	Grade
Surface Casing	Used		9.625	8.921	36.		J-55
8 3/4 Open Hole				8.75			
Drill Pipe	Used		4.5	3.826	16.6		X
Cement Plug	Used						
Cement Plug	Used						
Cement Plug	Used						
Tools and Accessories							
Type	Size	Qty	Make	Depth	Type	Size	Qty
Guide Shoe					Packer		
Float Shoe					Bridge Plug		
Float Collar					Retainer		
Insert Float							
Stage Tool							
Miscellaneous Materials							
Gelling Agt		Conc		Surfactant		Conc	
Treatment Fld		Conc		Inhibitor		Conc	
Acid Type		Qty		Conc		%	
Sand Type		Size		Conc		Qty	

HALLIBURTON

Cementing Job Summary

Fluid Data									
Stage/Plug #: 1									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft3/sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk
1	Fresh Water Ahead		08.303	bbl	8.33	.0	.0	.0	
2	Plug Cement	CMT - PREMIUM - CLASS G, 94 LB SK (100003685)	64.0	sacks	15.6	1.18	5.23		5.23
94 lbm		CMT - PREMIUM - CLASS G REG OR TYPE V, BULK (100003685)							
5.225 Gal		FRESH WATER							
3	Fresh Water Behind		01.697	bbl	8.33	.0	.0	.0	
4	Displacement		59.95	bbl	8.33	.0	.0	.0	
5	Top Out	CMT - PREMIUM - CLASS G, 94 LB SK (100003685)	47.0	sacks	15.6	1.18	5.23		5.23
94 lbm		CMT - PREMIUM - CLASS G REG OR TYPE V, BULK (100003685)							
5.225 Gal		FRESH WATER							
Stage/Plug #: 2									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
1	Fresh Water Ahead		08.303	bbl	8.33	.0	.0	.0	
2	Plug Cement	CMT - PREMIUM - CLASS G, 94 LB SK (100003685)	167.0	sacks	15.6	1.2	5.26		5.26
94 lbm		CMT - PREMIUM - CLASS G REG OR TYPE V, BULK (100003685)							
2 %		CALCIUM CHLORIDE - HI TEST PELLET (100005053)							
5.258 Gal		FRESH WATER							
3	Fresh Water Behind		01.697	bbl	8.33	.0	.0	.0	
4	Displacement		50.31	bbl	8.33	.0	.0	.0	
Stage/Plug #: 3									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
1	Fresh Water Ahead		08.372	bbl	8.33	.0	.0	.0	
2	Plug Cement	CMT - PREMIUM - CLASS G, 94 LB SK (100003685)	65.0	sacks	15.6	1.18	5.23		5.23
94 lbm		CMT - PREMIUM - CLASS G REG OR TYPE V, BULK (100003685)							
5.225 Gal		FRESH WATER							
3	Fresh Water Behind		01.628	bbl	8.33	.0	.0	.0	
4	Displacement		33.59	bbl	8.33	.0	.0	.0	
Stage/Plug #: 4									
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density uom	Yield uom	Mix Fluid uom	Rate uom	Total Mix Fluid uom
1	Fresh Water Ahead			bbl	8.33	.0	.0	.0	

HALLIBURTON**Cementing Job Summary**

Stage/Plug #: 4										
Fluid #	Stage Type	Fluid Name	Qty	Qty uom	Mixing Density lbm/gal	Yield ft ³ /sk	Mix Fluid Gal/sk	Rate bbl/min	Total Mix Fluid Gal/sk	
2	Plug Cement	CMT - PREMIUM - CLASS G, 94 LB SK (100003685)	42.0	sacks	15.6	1.18	5.23		5.23	
94 lbm		CMT - PREMIUM - CLASS G REG OR TYPE V, BULK (100003685)								
5.225 Gal		FRESH WATER								
3	Displacement			bbl	8.33	.0	.0	.0		
Calculated Values		Pressures		Volumes						
Displacement		Shut In: Instant		Lost Returns		Cement Slurry		Pad		
Top Of Cement		5 Min		Cement Returns		Actual Displacement		Treatment		
Frac Gradient		15 Min		Spacers		Load and Breakdown		Total Job		
Rates										
Circulating		Mixing		Displacement		Avg. Job				
Cement Left In Pipe	Amount	0 ft	Reason	Shoe Joint						
Frac Ring # 1 @	ID	Frac ring # 2 @	ID	Frac Ring # 3 @	ID	Frac Ring # 4 @	ID			
The Information Stated Herein Is Correct				Customer Representative Signature						

[Signature]
 Aff # 73606

HALLIBURTON

Cementing Job Log

The Road to Excellence Starts with Safety

Sold To #: 301145	Ship To #: 2609631	Quote #:	Sales Order #: 5463052
Customer: CABOT OIL & GAS PRODUCTION CORP		Customer Rep: Moore, Dave	
Well Name: McKenna	Well #: 21-32	API/UWI #:	
Field:	City (SAP): UNKNOWN	County/Parish: San Juan	State: Utah
Legal Description: Section 32 Township 29S Range 25E			
Lat: N 0 deg. OR N 0 deg. 0 min. 0 secs.		Long: E 0 deg. OR E 0 deg. 0 min. 0 secs.	
Contractor: United Drilling Co.		Rig/Platform Name/Num: United #41	
Job Purpose: Plug to Abandon Service			Ticket Amount:
Well Type: Producing Well		Job Type: Plug to Abandon Service	
Sales Person:	Srvc Supervisor: TALLMAN, JESS	MBU ID Emp #: 122519	

Activity Description	Date/Time	Cht #	Rate bbl/ min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Call Out	10/30/2007 18:30							
Depart Yard Safety Meeting	10/30/2007 21:05							
Arrive at Location from Service Center	10/31/2007 02:30							
Safety Meeting - Assessment of Location	10/31/2007 02:35							
Unknown Event Number	10/31/2007 02:40							spot equipment
Safety Meeting - Pre Rig-Down	10/31/2007 02:45							
Rig-Up Equipment	10/31/2007 02:50							
Safety Meeting - Pre Job	10/31/2007 04:45							
Start Job	10/31/2007 05:34							1 plug from 4465 to 4315
Test Lines	10/31/2007 05:35						1500.0	
Pump Spacer 1	10/31/2007 05:37		3	8			220.0	
Pump Cement	10/31/2007 05:45		3	13.4			290.0	
Pump Spacer 2	10/31/2007 05:50		3	2			200.0	
Pump Displacement	10/31/2007 05:51		3	57.5			100.0	
Safety Meeting - Pre Job	10/31/2007 11:15							
Start Job	10/31/2007 11:32							2 plug from 4050 to 3650
Pump Spacer 1	10/31/2007 11:33		3	8			200.0	

Sold To #: 301145

Ship To #: 2609631

Quote #:

Sales Order #:

5463052

SUMMIT Version: 7.20.130

Thursday, November 01, 2007 12:47:00

HALLIBURTON

Cementing Job Log

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Pump Cement	10/31/2007 11:39		3	17.5			140.0	
Pump Spacer 2	10/31/2007 11:46		3	2			100.0	
Pump Displacement	10/31/2007 11:46		3	48			100.0	
Unknown Event Number	10/31/2007 12:03							pull 7 joints get ready for 2nd half of plug
Pump Spacer 1	10/31/2007 12:15		3	5			200.0	
Pump Cement	10/31/2007 12:21		3	17.5			140.0	
Pump Spacer 2	10/31/2007 12:27		3	1.2			60.0	
Pump Displacement	10/31/2007 12:27		3	43			60.0	
Unknown Event Number	10/31/2007 12:43							pull stands and circ w.o.c. wash up truck get ready for 3rd plug
Safety Meeting - Pre Job	10/31/2007 17:30							
Pump Spacer 1	10/31/2007 17:48		3	5			200.0	
Start Job	10/31/2007 17:48							2 plug was 134' low set 2 plug again sat at to 3767 to 3633
Pump Cement	10/31/2007 17:54		3	12			220.0	
Pump Spacer 2	10/31/2007 17:58		3	1.2			100.0	
Pump Cement	10/31/2007 17:59		3	46			100.0	
Unknown Event Number	10/31/2007 18:15							pull stands and circ w.o.c. wash up truck get ready for 3th plug
Unknown Event Number	10/31/2007 20:03							pull 8 stands and circ while w.o.c. wash up truck get ready for 2nd plug
Start Job	11/01/2007 00:52							plug set @2627 to 2477
Pump Spacer 1	11/01/2007 00:52		3	5			200.0	
Pump Cement	11/01/2007 00:58		3	13.5			220.0	
Pump Spacer 2	11/01/2007 01:03		3	1.3			90.0	

Sold To #: 301145

Ship To #: 2609631

Quote #:

Sales Order #: 5463052

SUMMIT Version: 7.20.130

Thursday, November 01, 2007 12:47:00

HALLIBURTON

Cementing Job Log

Activity Description	Date/Time	Cht #	Rate bbl/min	Volume bbl		Pressure psig		Comments
				Stage	Total	Tubing	Casing	
Pump Displacement	11/01/2007 01:04		3	30			70.0	
Unknown Event Number	11/01/2007 01:14							pull stands and circ w.o.c. wash up truck get ready next plug
Safety Meeting - Pre Job	11/01/2007 05:30							
Start Job	11/01/2007 05:51							3rd plug again set @2500
Pump Spacer 1	11/01/2007 05:52		3	5			180.0	
Pump Cement	11/01/2007 05:57		3	6.5			190.0	
Pump Spacer 2	11/01/2007 05:59		3	1.2			130.0	
Pump Displacement	11/01/2007 06:00		3	28			90.0	
Unknown Event Number	11/01/2007 06:20							pull stands circ lay down drill pipe get ready for surface plug
Safety Meeting - Pre Job	11/01/2007 11:25							
Pump Spacer 1	11/01/2007 11:26		2	3			50.0	
Start Job	11/01/2007 11:36							100" surface plug
Pump Cement	11/01/2007 11:42		2	8			50.0	
Shutdown	11/01/2007 11:45							water to pit open casing valva
Pump Cement	11/01/2007 11:46		2	10.5			50.0	cement @ casing valve
Shutdown	11/01/2007 11:48							lay down drill pipe
Pump Cement	11/01/2007 12:06		1	11.5			10.0	top out 11.5 bbl cement total
End Job	11/01/2007 12:07							
Comment	11/01/2007 12:12							cement arrives on location
Safety Meeting - Pre Job	11/01/2007 17:21							

Sold To #: 301145

Ship To #: 2609631

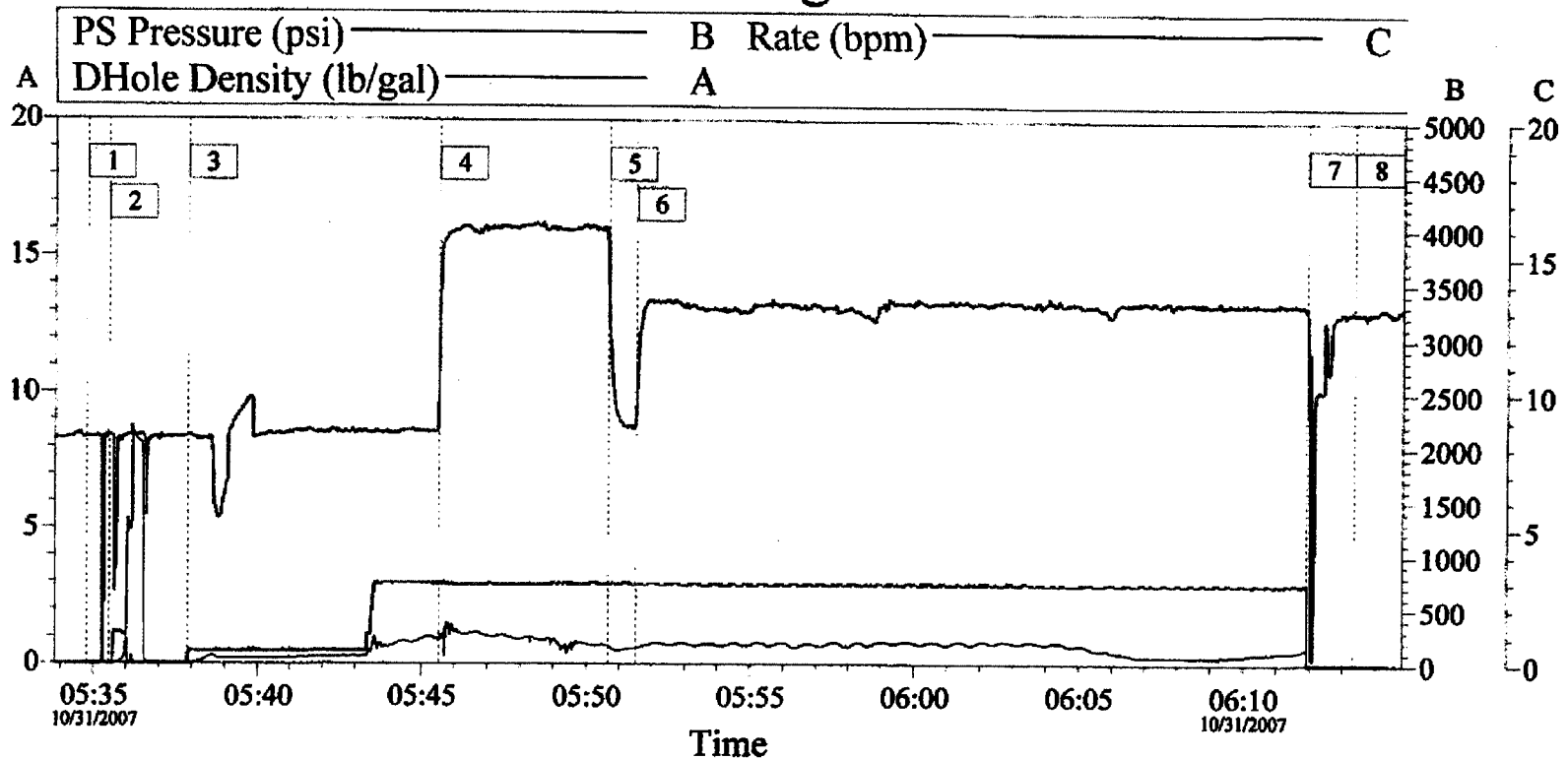
Quote #:

Sales Order #: 5463052

SUMMIT Version: 7.20.130

Thursday, November 01, 2007 12:47:00

1st Plug



Event Log

1 Start Job	05:34:48	2 Pressure Test	05:35:27	3 Water Ahead	05:37:52
4 Cement	05:45:30	5 Water Behind	05:50:39	6 Mud Displacement	05:51:30
7 Shut Down	06:11:54	8 Pull Drill Pipe	06:13:20		

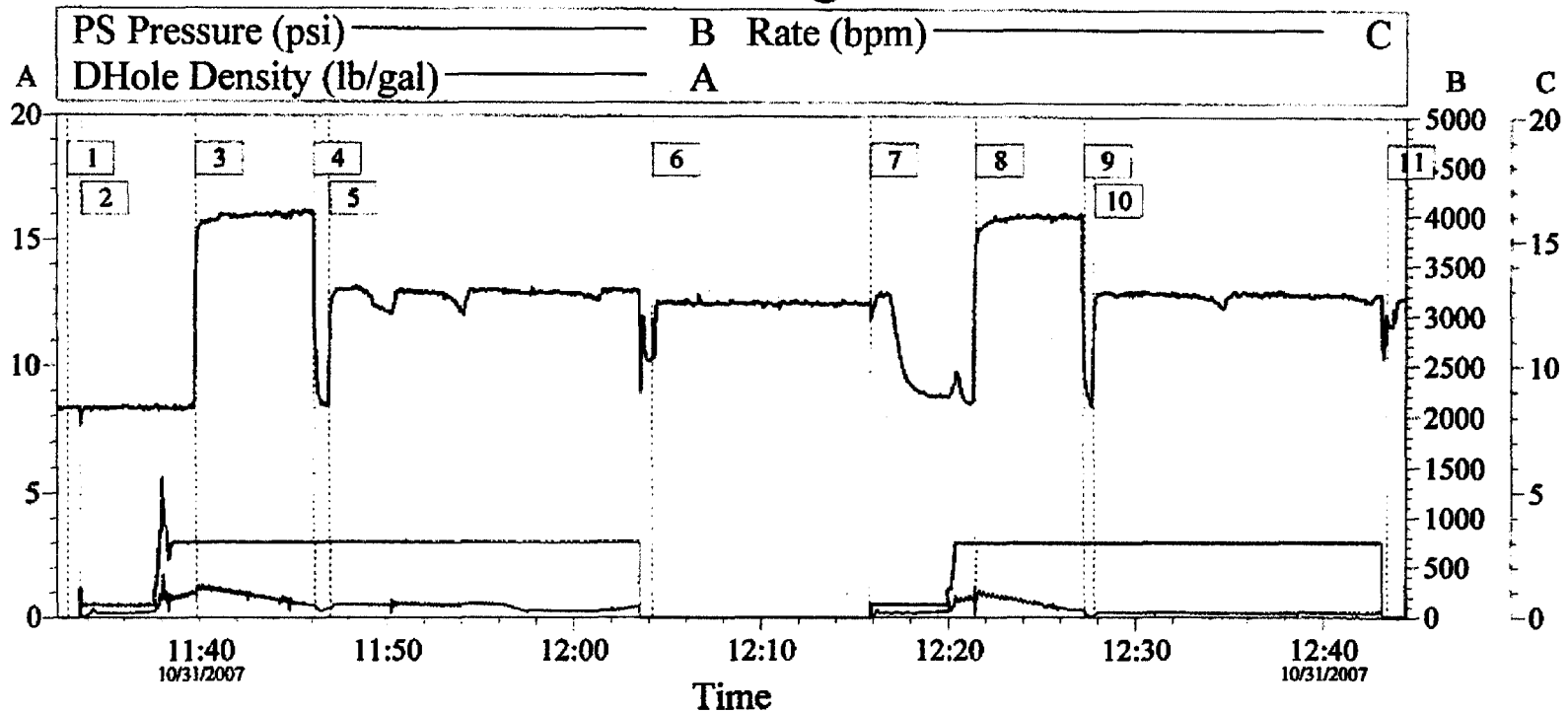
Customer: CABOT OIL & GAS
 LEASE MCKENNA

Job Date: 10/31/07
 WELL # 21-32

Ticket #: 5463052
 SUPERVISOR JESS TALLMAN

CemWin v1.5.0
 31-Oct-07 06:22

2nd Plug



Event Log

1 Start Job	11:32:58	2 Water Ahead	11:33:41	3 Cement	11:39:49
4 Water Behind	11:46:08	5 Mud Displacement	11:46:57	6 Pull 7 Joints	12:04:12
7 Water Ahead	12:15:50	8 Cement	12:21:26	9 Water Behind	12:27:13
10 Mud Displacement	12:27:45	11 End Job	12:43:23		

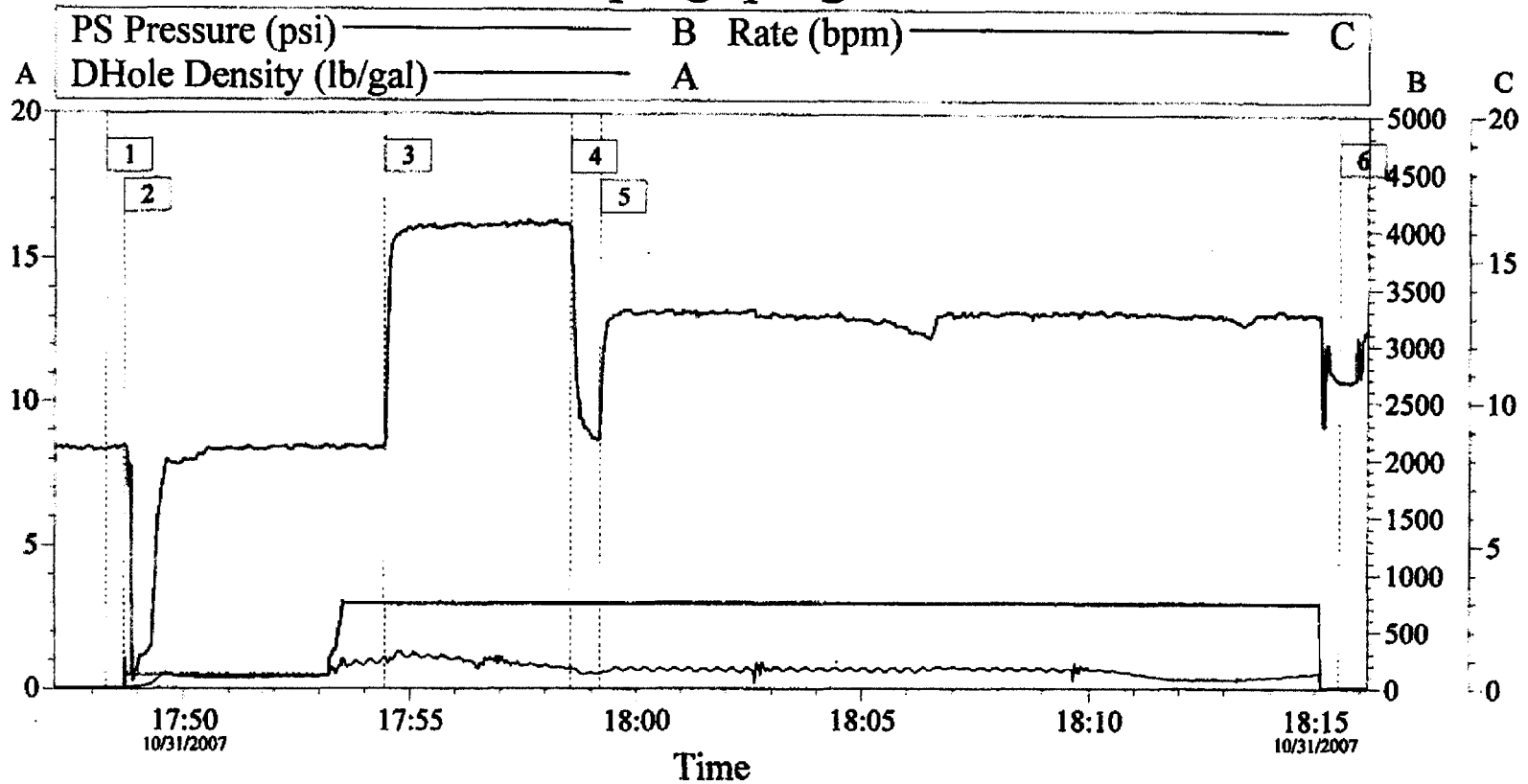
Customer: CABOT OIL & GAS
 LEASE MKENNA

Job Date: 10/31/07
 WELL # 21-32

Ticket #: 5463052
 SUPERVISOR JESS TALLMAN

CemWin v1.5.0
 31-Oct-07 12:53

2nd plug plug #2



Event Log

1	Start Job	17:48:17	2	Water Ahead	17:48:41	3	Cement	17:54:26
4	Water Behind	17:58:32	5	Mud Displacement	17:59:11	6	End Job	18:15:31

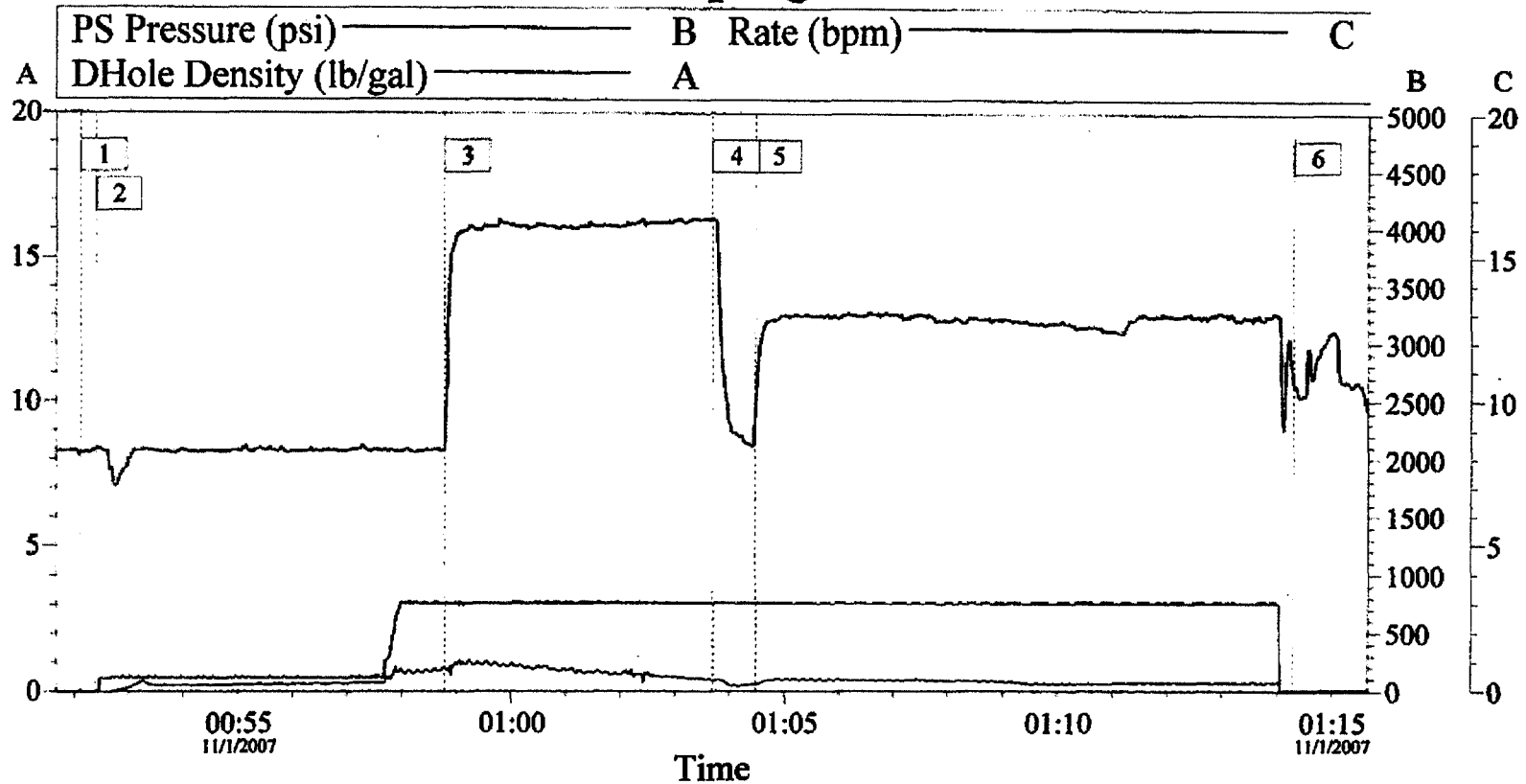
Customer: CABOT OIL & GAS
LEASE MCKENNA

Job Date: 10/31/07
WELL # 21-32

Ticket #: 5463052
SUPERVISOR JESS TALLMAN

CemWin v1.5.0
31-Oct-07 18:25

3rd plug



Event Log

1 Start Job	00:52:07	2 Water Ahead	00:52:24	3 Cement	00:58:46
4 Water Behind	01:03:41	5 Mud Displacement	01:04:28	6 End Job	01:14:18

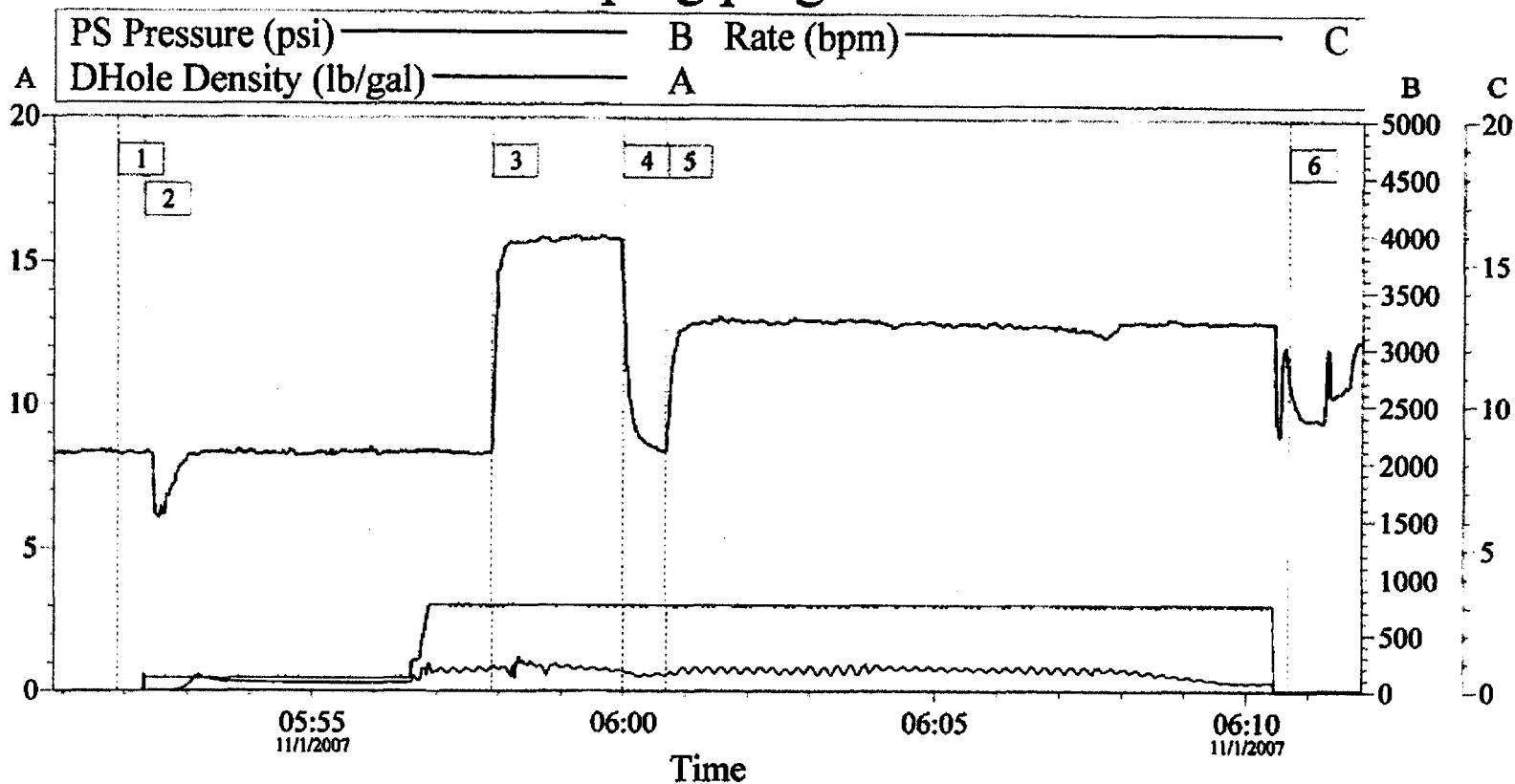
Customer: CABOT OIL & GAS
 LEASE MCKENNA

Job Date: 10/31/07
 WELL # 21-32

Ticket #: 5463052
 SUPERVISOR JESS TALLMAN

CemWin v1.5.0
 01-Nov-07 01:40

3rd plug plug # 2



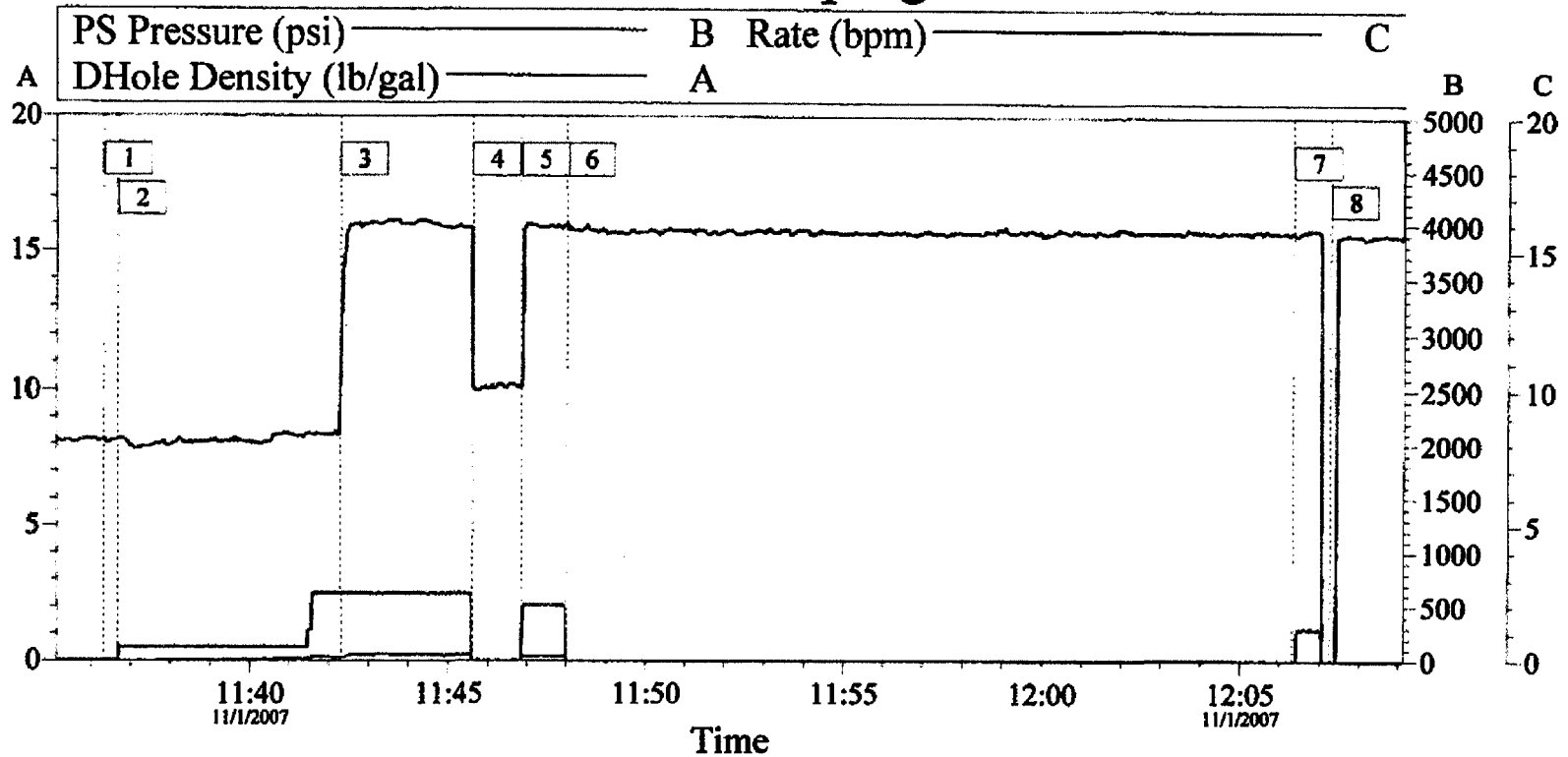
Customer: CABOT OIL & GAS
LEASE MCKENNA

Job Date: 11/1/07
WELL # 21-32

Ticket #: 5463052
SUPERVISOR JESS TALLMAN

CemWin v1.5.0
01-Nov-07 06:19

100' surace plug



Event Log

1	Start Job	11:36:19	2	Water Ahead	11:36:40	3	Cement	11:42:17
4	Shut Down	11:45:37	5	Cement	11:46:51	6	Shut Down	11:48:00
7	Cement	12:06:20	8	End Job	12:07:16			

Customer: CABOT OIL & GAS
 LEASE MCKENNA

Job Date: 11/1/07
 WELL # 21-32

Ticket #: 5463052
 SUPERVISOR JESS TALLMAN

CemWin v1.5.0
 01-Nov-07 12:19